



Small Business Administration

SBA Procurement & Grants Management Segment Architecture

Target State

Version 1.00

August 2008



Revision Sheet

Revision History/Change Log

PGM Segment Architecture Target State

Version	Date	Description
0.01	5/13/2008	Initial version for Chief Architect review
0.02	5/27/2008	Final Chief Architect review
1.00	5/29/2008	Final (includes DPGM and Chief Architect review)
	8/21/2008	Replace Appendix I: PGM Current State Observations with Appendix I: PGM Current State Business Architecture and Appendix J: PGM Current State System Architecture to be consistent with previous segment architecture deliverables

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1 Executive Summary

As part of its long term planning process, the Small Business Administration (SBA) is creating a Segment Architecture in accordance with the Federal Enterprise Architecture (FEA) guidance for its Procurement and Grants Management (PGM) segment. The PGM segment crosses a number of different program offices, including the Division of Procurement and Grants Management (DPGM) and special grant-managing program offices such as Entrepreneurial Development. At the periphery, all SBA program and support offices are stakeholders in the PGM segment – some through their grant-making missions and all through acquisitions.

The objectives of the segment architecture process are to develop an institutional understanding of the current operational state of the PGM segment, to promote program and support office performance by identifying improvement opportunities, and to produce an actionable roadmap to realize these opportunities. By starting with the current operational state of PGM and applying enterprise architecture standards, federal best practices, and the set of prioritized opportunities, we arrive at a projected “target state” for the PGM segment. This document conveys the PGM target state at all architectural layers.

The specific opportunities for improvement uncovered through the segment architecture process can be categorized into the following seven broad categories:

- **Communication:** Making it easier for information to flow between parties on a procurement or grant and across contracting / grant officers (COs / GOs)
- **Compliance:** Meeting the directives required of PGM, such as reporting requirements or mandated timelines, as articulated through government regulations, OMB mandates, and SBA policy
- **People:** Promoting a high performance workforce by:
 - Ensuring that procurement and grants management is conducted with people that have the right training
 - Supporting ways to align authority and responsibility with accountability within DPGM and contracting / grant officer's technical representatives (COTRs / GOTRs) and project managers.
 - Measuring and reporting on key performance indicators to identify individual and organizational successes and challenges.
- **Stakeholder Involvement:** Increasing the engagement level of stakeholders by providing them with enhanced visibility into the procurement and grants processes and supporting greater involvement.
- **Standardization:** Reducing the variability in processes, requirements, and workflow to reinforce consistency, simplify training, gain efficiencies, and reduce errors.
- **Strategic Procurement:** Altering the interaction with program offices from being order processors to being partners, thereby providing strategic advice in procurements and creating value for the agency. Using historical procurement and grants data for the purpose of planning, forecasting, and other analysis
- **Workflow:** Improving or better supporting the sequence of operations in procurement and grants processing

Achieving these opportunities will address the full set of issues raised by the PGM current state segment architecture.

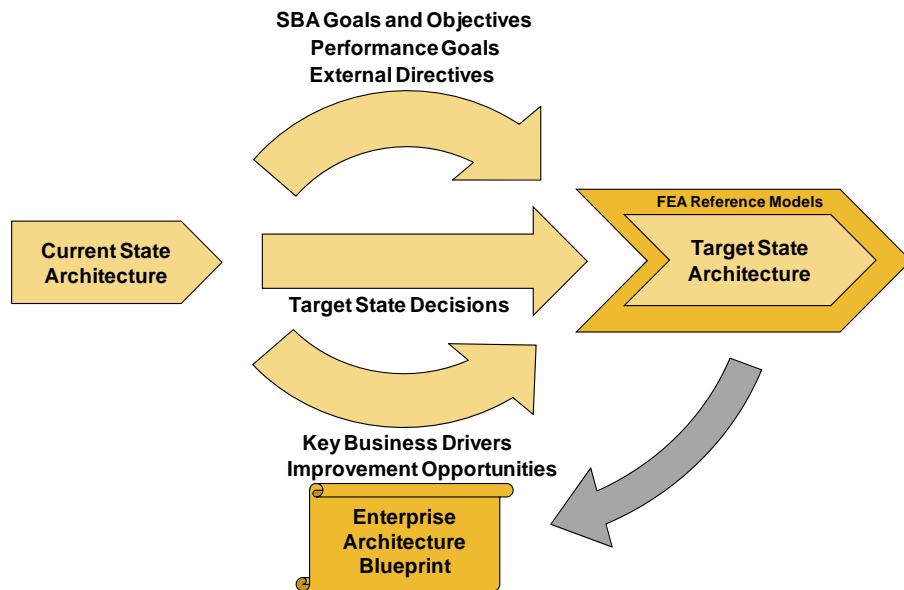
2 Scope of the Document

This document provides the target state performance architecture for the SBA PGM segment by identifying the program mission, goals, objectives and performance metrics and targets. It also includes target state descriptions and high-level model architectures for PGM's business operations, service components, data, and technology.

3 Target State Drivers

The target state architecture is a blueprint of the vision for future business operations and supporting technology. It describes the desired capability and structure of business processes, information needs, and IT services for the future.

FIGURE 1: CREATION OF TARGET SEGMENT ARCHITECTURE



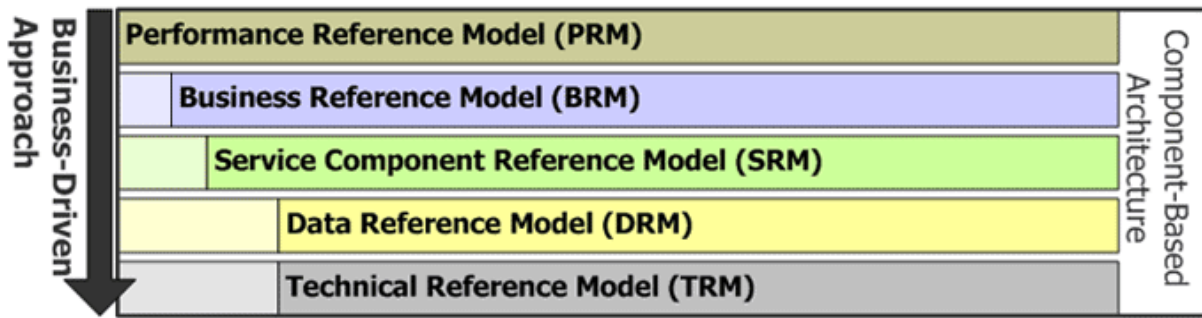
As illustrated in Figure 1, the agency goals and objectives, performance goals, external directives and mandates, key business drivers, improvement opportunities, and enterprise architecture standards are applied to the current state architecture models to set the constraints of the target state architecture. Decisions made within those constraints guide the final target state definition. The completed target state also informs the agency's enterprise architecture blueprint. Each of these drivers is discussed at greater length in the following sections:

TABLE 1: TARGET STATE DRIVERS

Target State Driver	Location
SBA Goals and Objectives	Appendix D: PGM and the SBA Goals and Objectives
Performance Goals	Section 4.1 Target State Performance Architecture
External Directives	Appendix F: External PGM Directives
Key Business Drivers	Appendix E: Key Business Drivers for PGM
Improvement Opportunities	Section 3.1 Opportunities for Improvement
Enterprise Architecture Blueprint	<i>SBA EA Blueprint v2.03</i> (external document)
Target State Decisions	Section 3.2 Target State Decision Points

The target state is described using the FEA reference framework and the performance, business, data, service component, and technical architectures are defined using the elements of FEA.

FIGURE 2: FEDERAL ENTERPRISE ARCHITECTURE (FEA) FRAMEWORK



3.1 Opportunities for Improvement

Target state opportunities are the basic units of improvement that an organization may pursue from its current state. Opportunities are pursued with the intention of increasing overall organizational performance. Thus, each of the opportunities considered is linked to a performance indicator that will be positively impacted by the opportunity. The opportunities for improvement uncovered through the segment architecture process can be categorized into the following seven broad categories:

- **Communication:** Making it easier for information to flow between parties on a procurement or grant and across contracting / grant officers (COs / GOs)
- **Compliance:** Meeting the directives required of PGM, such as reporting requirements or mandated timelines, as articulated through government regulations, OMB mandates, and SBA policy
- **People:** Promoting a high performance workforce by:
 - Ensuring that procurement and grants management is conducted with people that have the right training
 - Supporting ways to align authority and responsibility with accountability within DPGM and contracting / grant officer's technical representatives (COTRs / GOTRs) and project managers.
 - Measuring and reporting on key performance indicators to identify individual and organizational successes and challenges.
- **Stakeholder Involvement:** Increasing the engagement level of stakeholders by providing them with enhanced visibility into the procurement and grants processes and supporting greater involvement.
- **Standardization:** Reducing the variability in processes, requirements, and workflow to reinforce consistency, simplify training, gain efficiencies, and reduce errors.
- **Strategic Procurement:** Altering the interaction with program offices from being order processors to being partners, thereby providing strategic advice in procurements and creating value for the agency. Using historical procurement and grants data for the purpose of planning, forecasting, and other analysis
- **Workflow:** Improving or better supporting the sequence of operations in procurement and grants processing

A complete description of these opportunities, including ratings and a mapping to goals and objectives, is included in Appendix G: Prioritized Opportunities.

To determine which opportunities are most important to pursue in the target state, the list was prioritized based on stakeholder feedback. Opportunities have been categorized into the following priority classes:

- **Building the Foundation** – Opportunities in this category should be implemented in the immediate term as they require low effort and have high business impact.
- **Enabling Improvement** – Opportunities in this category should be implemented in the midterm as resources allow. These opportunities are critical to mid- and long-range success of the PGM segment.
- **Fulfill Vision** – These are longer term opportunities due to the difficulty to implement. As time passes, the PGM segment will have to collect metrics to determine criticality and confirm business value.
- **Defer** – There is insufficient business reason to justify the cost of pursuing these opportunities unless government mandates, compliance or legal issues are the drivers. Develop workarounds as necessary.

TABLE 2: PRIORITIZED PGM OPPORTUNITIES

Building the Foundation		Enabling Improvement		Fulfill Vision		Defer	
1	Capturing past performance	6	Centralized procurement / grant access	2	Hold POs accountable for their contracting tasks	13	Forecasting available funding shortfalls
4	Automatic workflow notification	8	Supplemental grant forms on SBA.Gov	3	Hold Cos and COTRs accountable for process	14	Queries on historical procurement data
5	Instant broadcast messaging	9	Centralized training data & ACMIS compliance	11	Greater grants transparency to comply with Public Law 106	19	Regular organizational performance reports
7	Paperless communication across stakeholders	12	Leverage historical data to project future	21	Improved metrics that perfectly map to success	20	Regular stakeholder performance reports
10	Security & privacy compliance	18	Regular individual performance reports	24	Leverage the specialized skills of Cos	33	Explicitly tie procurements to agency mission & goals
15	Procurement training for POs	22	Program office status visibility	25	PO access to requisitions, SOWs, awards, and invoices	34	Keep grant stakeholders informed of change
16	Fine-tuned IDPs for staff	23	Program office workflow visibility	27	Detailed procurement / grant timeline	37	PO Grants.gov direct access
17	Automated performance metrics	28	Grant applicant self-service	32	Yearly notice of upcoming procurements	40	Invoicing without CO signoff
26	Support for acquisition plans	38	Simplified obligating and committing funds	35	Supervisor reports on employee tasks		
29	Simplified reuse of grant / contract language	39	Electronic signatures and forms for invoicing	41	Single agency-wide grant payment process		
30	Standards of scrutiny						
31	Standard grant / procurement templates						
36	Reduce touch points in processes						

3.2 Target State Decision Points

The SBA goals and objectives, external directives, PGM performance architectures, and prioritized opportunities for improvement all provide direction for moving from the current state to the target state. Within the direction offered, a number of key decision points still remain for resolution by the business owners to fully define the target state. Through discussion with stakeholders and the business owners, the following target state decisions and alternatives were selected for moving forward.

TABLE 3: PGM TARGET STATE SELECTED ALTERNATIVES

Decision Point	Alternative Selected
IT System for Grants	Use the same system as used by procurement
Enterprise-wide procurement system	Use procurement system enterprise-wide for both DPGM and program offices
Enterprise-wide grants system	Use grants system enterprise-wide for both DPGM and program offices
Procurement Invoicing	Use an alternate system for procurement invoicing
Grants Invoicing	The alternative selected will be determined after a 12-month pilot with using the HHS shared service center for invoicing has completed. If this pilot succeeds, then the HHS shared service center will be used for grants invoicing
Interface Procurement system with Accounting system	Tie the two systems together, but do not customize the interface for entering information
Offering self-service portal for grantees and vendors	Interactive portal conveying status and allowing actions to take place

A full discussion of alternatives considered, advantages & disadvantages, implications, and factors is included in Appendix H: Alternatives Analysis.

3.3 PGM Target State Implications

A number of key observations were noted during the current state phase of the PGM segment architecture. Many of these observations raised issues that would need to be handled in the target state. By realizing the opportunities for improvement from section 3.1 and moving forward with the target state decisions from section 3.2, all of the issues raised in the current state become resolved. The following table covers how the planned target state will address these observations. The full text of the current state observations can be found in Appendix I: PGM Current State .

TABLE 4: TARGET STATE IMPLICATIONS ON CURRENT STATE OBSERVATIONS

Current state key observation	How Target State addresses the issue
3.7.1 DPGM success is not completely defined	The goals, objectives, and performance measurements that cover all factors are defined in the target state.
3.7.2 Slow paper-based processes are a growing issue	Automated IT systems track the full life cycle of procurement and grants processes.
3.7.3 Redundant grant processes cause inconsistency	Processes are standardized to reduce inconsistency. A single IT grants system is used for grants management and payment.
3.7.4 Unnecessarily complex review of grant invoices delay payments	Advance-style grants payments eliminate invoice delays. Workflow management and notification functions in procurement and grants systems help monitor process times
3.7.5 Lack of visibility in procurement processes	The procurement and grants systems will be used by both DPGM and program offices to provide a consistent view of data
3.7.6 Customer satisfaction has been mixed	A new customer service business function is in place to ensure that customer needs are met and that customer is educated on reasonable expectations. External transparency to the process, one of the major customer service issues to date, is provided through IT systems.
3.7.7 Maintaining trained and skilled staff has been difficult	Workforce training is a priority in the target state. It is supported through detailed IDPs and training tracking systems. Enhanced communications tools help staff share expertise.
3.7.8 Program offices need better understanding of acquisition processes	Customer training is a priority in the target state. The customer service function offers training materials to program offices and training systems keep track of COTR and project manager training.
3.7.9 Lack of communication between stakeholders prevails	IT systems help promote the transmission of information between parties. These systems also make data more available, reducing the need for back-and-forth communication.

Current state key observation	How Target State addresses the issue
3.7.10 All program offices do not hold authorization power for large acquisitions	Improved visibility and communication supported by IT systems reduces the need for program offices to hold this type of authorization, as DPGM will be enabled to perform these functions on their behalf.
3.7.11 All grants are not being broadcasted via Grants.gov	Grants processes are standardized to have all grants posted to Grants.Gov
3.7.12 Measuring performance is time-consuming	With the procurement and grants data managed by a single system and full life cycle data maintained in a centralized repository, generating performance measurement reports is simplified.
3.7.13 Potentially redundant systems	A single grants payment system is used in the target state, supporting both advance-style and reimbursement-style invoicing.
4.1.2.1 Interactive Processes are Being Executed Non-Collaboratively	A single-system for procurement and grants is deployed and accessible by both DPGM and program office. The system leverages common service components and supports communication and workflow tracking between DPGM and program offices.
4.1.2.2 Current Systems are Not Being Fully Leveraged	DPGM will implement its current service components for both procurement and grants processing. In target state, SBA-wide service components such as process tracking, program management, reporting and business intelligence are also leveraged for cost and time savings.
4.1.2.3 Necessary Collaboration Tools are Absent	Several service components, such as threaded discussion, real-time/chat communication, and instant messaging, are deployed to support collaboration and communication
4.1.2.4 Lack of Electronic Payments and Signatures	Shared service center solutions offer electronic systems for grants invoicing & payment as well as procurement invoicing. Both solutions offer process tracking and self-service function to customers.
4.1.2.5 Lack of Notification Mechanism Delays Cycle Times	The target state procurement and grants system has workflow rules and notification messages. The shared service center solution for procurement invoicing has workflow and notification functions.
4.3.3.1 OCIO Compliance may be Missing From Key Databases	Specific business processes are supported by a single solution for all stakeholders including DPGM and program offices, eliminating the needs for the use of user-level databases and point solutions that are outside of compliance. Data interfaces will be implemented to share and integrate data between different systems or data sources.
4.3.3.2 Construction of Certification Tracks is In-Progress	Initiatives in progress within SBA Human Capital Management (HCM) are leveraged to track contract personnel certificates and training record.
4.3.3.3 Lack of Integration Between Financial and PGM Systems	A data interfaces between the procurement & grants system and the SBA financial system is in place and automatically synchronizes process-specific data. DPGM personnel do not manually interact with the financial system
4.3.3.4 Lack of Transparency	Discussed above for observation 3.7.5
4.4.1.1 Issues with Comprizon	In the target state, Comprizon has been replaced with a more robust procurement and grants system that provides access to both DPGM and program offices. The IT system also offers more functionality to support workflow tracking and automated data interfaces with e-Gov systems and the agency financial management system.
4.4.1.2 Comprizon to PRISM is a Positive Move	Discussed above for observation 4.4.1.1
4.4.1.3 Program Offices Have Not Been Involved in PRISM Initiative	Later phases of the procurement and grants IT system implementation have targeted support for program offices. Inputs from program offices has been solicited within the roadmap towards target state
4.4.1.4 User-Level Databases in Place Pose Security Risks and Provide No Automation	An enterprise-wide procurement and grants system makes user-level database systems obsolete. This enterprise-wide system is hosted at the OCIO data center with SOPs for data backup and disaster recovery. Security and privacy issues are managed in accordance with OCIO policy and procedures

4 PGM Target State Architecture

4.1 Target State Performance Architecture

The overarching theme behind the FEA is that performance measurement drives operation, which in turn drives IT investment. One aspect of performance relates to performing in compliance with applicable regulation, such as those items discussed in the previous section. The other aspect relates to taking affirmative steps to help the agency achieve demonstrable results. The starting point for designing a segment architecture target state is thus understanding the performance model, which begins by examining the Mission and Vision relevant to the segment in question. Realization of its vision (and accomplishment of its mission) is broken down into goals and objectives. Success of the organization in achieving these objectives is measured through performance indicators.

4.1.1 PGM Mission and Vision

The office of business operations will adopt the following mission and vision for its division of procurement and grants management:

Mission: To provide sound business advice, effective contracting solutions, and reliable grants management support that assist customers (SBA program offices) in accomplishing their respective missions.

Vision: To develop a high-performing contracting and grants team that uses its toolbox of contracting vehicles and methodologies to provide value-added services to our customers in achieving the optimal solution. The SBA will become a leader in small agency procurement

4.1.2 PGM Goals and Long Term Objectives

In line with this mission and vision, the offices involved in procurement and grants management have the following goals:

TABLE 5: PGM GOALS

Goal#	PGM Goal	Ob #	PGM Objective	Mapped SBA Goal/Objective
1	To achieve Operational Excellence	1.1	To produce high quality contracts and grants	4
		1.2	To provide efficient and timely service	4
		1.3	To ensure all contracting and grants staff have necessary skills	4.1
2	To provide superior customer service	2.1	To achieve high customer satisfaction from internal customers (program offices)	4
		2.2	To achieve high customer satisfaction from external customers (contractors, suppliers, grantees)	4
3	To be a strategic solutions provider	3.1	To achieve contractor diversity in support of SBA's socioeconomic goals	1.2
		3.2	To achieve agency-wide cost savings	4

4.1.3 PGM Performance Indicators

Measuring the extent to which goals and objectives are accomplished requires the adoption of performance indicators that capture the key drivers of success. Each of the above objectives, therefore, has one or more indicators that can be used to measure success and to promote the achievement of their supported goals. These performance indicators are listed below. Also included is a mapping to the FEA Performance Reference Model (PRM) elements, including:

- **Measurement Areas** – The high-level organizing framework of the PRM capturing aspects of performance at the output levels.

- **Measurement Categories** – Collections within each measurement area describing the attribute or characteristic to be measured.
- **Measurement Groupings** – Further refinement of categories into specific types of measurement indicators.

TABLE 6: PERFORMANCE INDICATORS
☐ Implemented Current State Metrics

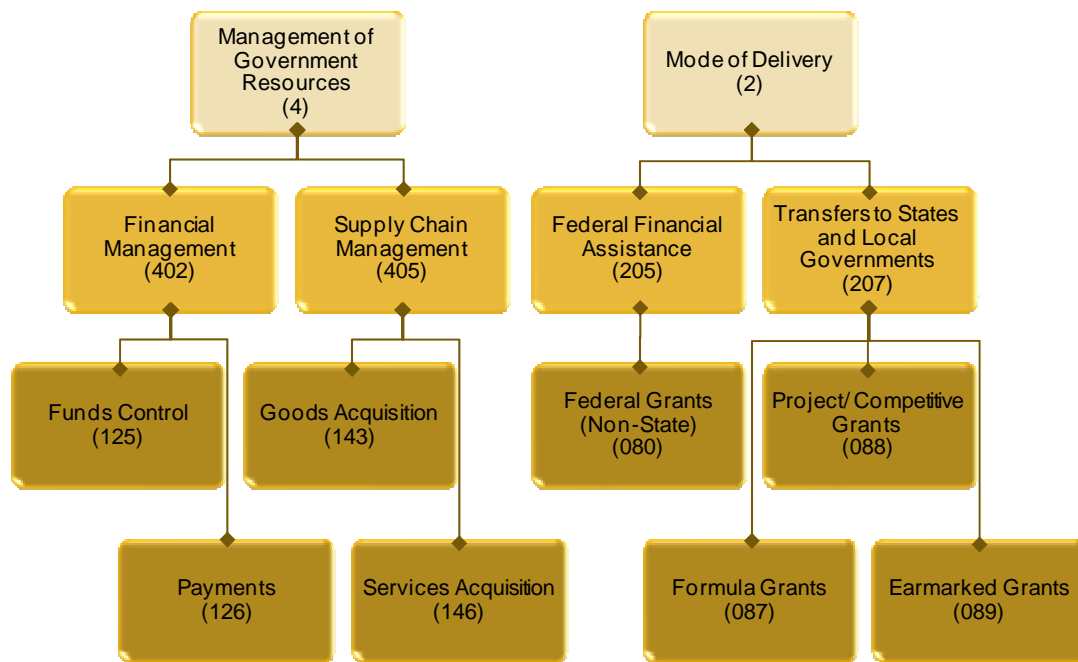
☒ Planned Target State Metrics

☐ Metrics to Phase Out

Metric #	Ob #	Performance Indicator	Meas. Area	Meas. Category	Meas. Grouping	FY 2010 Target
1.2.1	1.2	Average processing time per grant action	Customer Results	Timeliness and Responsiveness	Response Time	Defined Later
1.2.2	1.2	Average processing time per procurement action (Purchase Order Procurement Administrative Lead Time)	Customer Results	Timeliness and Responsiveness	Response Time	42 days
1.2.3	1.2	Ratio of contracts and POs processed per FTE	Processes and Activities	Productivity and Efficiency	Productivity	12 / person / month
1.2.4	1.2	Average age of unobligated requisitions	Processes and Activities	Cycle Time and Timeliness	Timeliness	Defined Later
1.2.5	1.2	Average time between receiving invoices and sending out for payment processing	Processes and Activities	Cycle Time and Timeliness	Timeliness	Defined Later
1.2.6	1.2	% of contract actions resulting in automated obligations	Mission and Business Results	Planning and Resource Allocation	Management Improvement	50%
1.2.7	1.2	% of contracts and POs managed through contract management system	Technology	Reliability and Availability	Availability	50%
1.3.1	1.3	Percentage of contracting staff that are certified [need name of certification(s)]	Management of Government Resources	Human Resource Management	Human Resources Development	Defined Later
2.1.1	2.1	Percentage of DPGM customers satisfied (survey score)	Customer Results	Customer Benefit	Customer Satisfaction	Defined Later
2.2.1	2.2	Contractor/grantee satisfaction (survey scores)	Customer Results	Customer Benefit	Customer Satisfaction	Defined Later
3.1.1	3.1	Percent of awards to small business	Mission and Business Results	Economic Development	Business and Industry Development	67%
3.1.2	3.1	Percent of awards to small disadvantaged business	Mission and Business Results	Economic Development	Business and Industry Development	36%
3.1.3	3.1	Percent of awards to woman owned	Mission and Business Results	Economic Development	Business and Industry Development	10%
3.1.4	3.1	Percent of awards to 8(a)	Mission and Business Results	Economic Development	Business and Industry Development	20%
3.1.5	3.1	Percent of awards to HUBZone	Mission and Business Results	Economic Development	Business and Industry Development	3%
3.1.6	3.1	Percent of awards to service disabled veteran owned	Mission and Business Results	Economic Development	Business and Industry Development	3%
3.2.1	3.2	Percent of contracts and purchase orders awarded competitively	Management of Government Resources	Supply Chain Management	Goods Acquisition / Services Acquisition	Defined Later

4.2 Target State Business Architecture

There is no difference in lines of business performed between the current state and target state of PGM. PGM performs 18 major functions within the same 8 core business areas, as defined in the *FEA Consolidated Reference Model Document Version 2.3* (the CRM). Figure 3 conveys the business areas, lines of business, and sub-functions with their numerical designations from the CRM that align with the PGM segment:

FIGURE 3: PGM CORE BRM ALIGNMENT


The definitions for these sub-functions from the CRM are as follows:

- **Payments (126):** disbursements of federal funds, via a variety of mechanisms, to federal and private individuals, federal agencies, state, local and international governments, and the private sector, to effect payment for goods and services, or distribute entitlements, benefits, grants, subsidies, loans, or claims.
- **Funds Control (125):** the management of the federal budget process including the development of plans and programs, budgets, and performance outputs as well as financing federal programs and operations through appropriation and apportionment of direct and reimbursable spending authority, fund transfers, investments and other financing mechanisms.
- **Goods Acquisition (143):** the procurement of physical goods, products, and capital assets to be used by the federal government.
- **Services Acquisition (146):** the oversight and/or management of contractors and service providers from the private sector.
- **Federal Grants (080):** the disbursement of funds by the federal government to a nonfederal entity to help fund projects or activities. This includes the processes associated with grant administration, including the publication of funds availability notices, development of the grant application guidance, determination of grantee eligibility, coordination of the peer review/evaluation process for competitive grants, the transfer of funds, and the monitoring/oversight as appropriate.
- **Formula Grants (087):** the allocation of money to states or their subdivisions in accordance with distribution formulas prescribed by law or administrative regulation, for activities of a continuing nature.
- **Project/Competitive Grants (088):** the funding, for fixed or known periods, of projects. Project/Competitive grants can include fellowships, scholarships, research grants, training

grants, traineeships, experimental and demonstration grants, evaluation grants, planning grants, technical assistance grants, survey grants, and construction grants.

- **Earmarked Grants (089):** the distribution of money to state and local governments for a named purpose or service usually specifically noted by Congress in appropriations language, or other program authorizing language.

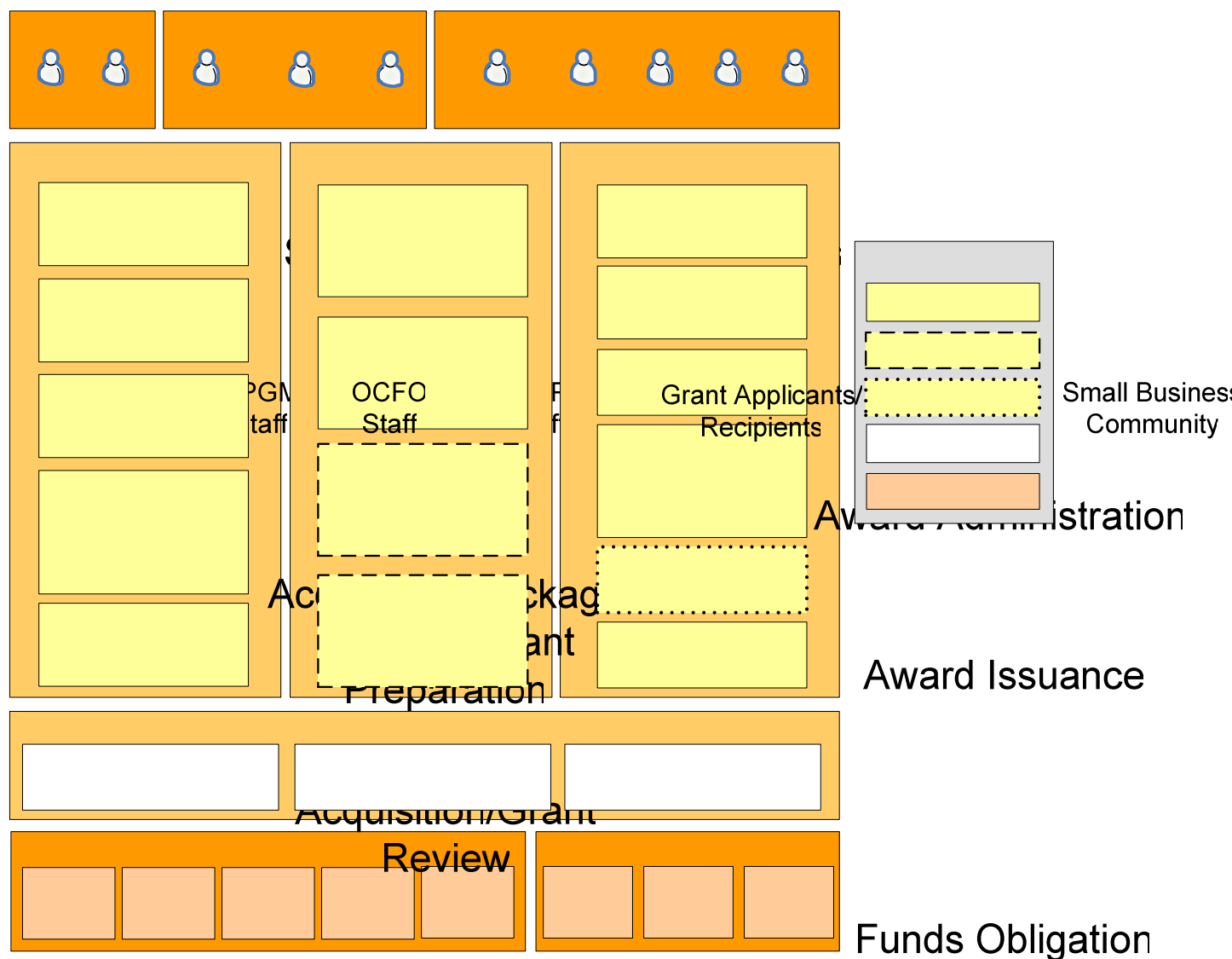
The PGM function also performs business functions in non-core business areas aligned to the following BRM sub-functions:

- Program Evaluation (092)
- Program Monitoring (093)
- Customer Service (108)
- Accounting (124)
- Cost Accounting / Performance Measurement (261)

4.2.1 PGM Operational Business Model

Modifications to the goals and objectives of PGM, and pursuit of opportunities for improvement, lead to a limited number of operational changes in the way that PGM conducts its business within the target state. All existing business functions continue to exist in the target state and play largely the same role. New business functions include the "Support Functions" block described in the diagram below. These support functions used to be performed implicitly, if at all, within the context of performing other functions. Given the set of opportunities for improvement, these functions must be executed with a greater level of prominence and priority.

FIGURE 4: PGM TARGET STATE OPERATIONAL BUSINESS ARCHITECTURE



4.2.2 PGM Target State Business Functions

Funds Commitment

The business functions from Figure 4 are described in more detail below. This provides line of sight between target state opportunities, business function impact, and performance metrics impact. For each business function, the following information is supplied:

- **Description:** a high level definition of this business function
- **Actors:** the key stakeholders that perform this business function
- **Inputs:** the major elements required to perform this business function
- **Outputs:** the major results produced by this business function
- **Mapped Opportunities:** the set of target state opportunities that will impact this business function. These opportunities can be found in Appendix G: Prioritized Opportunities.
- **BRM Mappings:** identifies where the BRM elements defined in the CRM align with this business function.

Solicitation
Management/Grant
Notice Publication &
Grant Application
Receipt

Task Order
Issuance

Source/Grant
Recipient Selection

Purchase Order
Issuance

- **Metrics Impacted:** the set of performance indicators that are impacted by this business function. Performance indicators can be found in Section 4.1.3, PGM Performance Indicators.

All current state business functions continue to exist in the target state and play largely the same role. The way they are executed, however, is improved and discussed further in section 4.2.3 Major Business Process Impacts. In addition, business functions 16, 17, and 18 are new.

Business Function 1: Acquisition Package Creation/Grant Preparation	
Description	<i>Procurement:</i> Program Office (PO) defines the need for the acquisition of items or services and consequently develops a Statement of Work (SOW) along with the necessary provisional documents. PO then submits these documents to DPGM for its review. <i>Grants:</i> PO identifies the purpose, criteria, designated personnel and the required forms and information for the grants; and formalizes the grant applications. PO then submits the grant applications to DPGM for its review.
Actors	Program Office Staff
Inputs	<i>Procurement:</i> Procurement : Procurement Need <i>Grants:</i> Grant Opportunity
Outputs	<i>Procurement:</i> Requisition Package <i>Grants:</i> Grants Application Package
Mapped Opportunities	1, 5, 6, 26, 31, 32, 33, 34
BRM Mappings	080, 087, 088, 089, 143, 146
Metrics Impacted	1.2.1, 1.2.3

Business Function 2: Acquisition Review/Grant Review	
Description	DPGM assigns necessary staff member from its end to handle the application. They review the package for correctness and completeness. If DPGM feels the necessity to make changes, it contacts the respective party. In the case of Grants, the application also undergoes a legal review before the application can be broadcasted.
Actors	Program Office Staff, DPGM Staff (except for specific grant types), Legal Office Staff
Inputs	<i>Procurement:</i> Requisition Package <i>Grants:</i> Grants Application Package
Outputs	Revised and Finalized Package
Mapped Opportunities	1, 5, 6, 26, 31, 34
BRM Mappings	080, 087, 088, 089, 143, 146
Metrics Impacted	1.2.1, 1.2.3

Business Function 3: Funds Commitment	
Description	The PO commits the desired funds in the SBA financial management accounting system. Commitment documentation is provided to DPGM, which obligates the funds at a later stage.
Actors	Program Office Staff, DPGM Staff (except for specific grant types)
Inputs	Necessary Documentation
Outputs	Committed Funds
Mapped	37

Opportunities	
BRM Mappings	125
Metrics Impacted	1.2.1

Business Function 4: Solicitation Management/Grant Notice Publication & Grant Application Receipt

Description	<p><i>Procurement:</i> The commitment of funds is followed by the preparation of the procurement request. This is advertised via the Federal system FedBizOpps to the vendors seeking Federal contracts, ensuring fairness and encouraging competitiveness in the marketplace. DPGM dispatches Requests for Proposal (RFPs) to the offerors, responds to any queries that they may have, and accepts corresponding proposals.</p> <p><i>Grants:</i> All Federal agencies are mandated to post all their grants via the E-Gov initiative, Grants.gov. This central repository for all Federal grants provides government-wide uniformity to grant applications. DPGM publishes its grants via Grants.gov and provides all the necessary information that the applicants would require. Upon prompting from the PO, DPGM retrieves the grant applications that have been submitted by potential recipients on Grants.gov.</p>
Actors	DPGM Staff, External Systems Staff
Inputs	Application Package
Outputs	<p><i>Procurement:</i> RFPs, Proposals</p> <p><i>Grants:</i> Grant Posting, Grant Applications</p>
Mapped Opportunities	4, 5, 6, 10, 28, 31, 33, 35
BRM Mappings	080, 087, 088, 089, 143, 146
Metrics Impacted	1.2.1, 1.2.3, 3.2.1

Business Function 5: Source/Grant Recipient Selection

Description	<p><i>Procurement:</i> PO evaluates the proposals from a technical perspective while DPGM reviews them from an administrative (accuracy and completeness) and budgetary perspective. There may be negotiations involved between the DPGM and the short-listed offerors at hand before a final decision can be made. Based on the discussions, the final decision on the offeror is made.</p> <p><i>Grants:</i> All applications are reviewed by PO and DPGM for complete and accurate information before it weighs them against the defined criteria. There are exchanges of applications between DPGM and the applicants if the applications are missing out the relevant information. The completed and accurate applications are then gauged for a match against the grant criteria. PO and DPGM select the grant recipient after deliberating the qualifications of the recipient against the stated criteria.</p>
Actors	Program Office Staff, DPGM Staff (except for specific grant types)
Inputs	<p><i>Procurement:</i> Proposals</p> <p><i>Grants:</i> Grant Applications</p>
Outputs	<p><i>Procurement:</i> Selected Offeror</p> <p><i>Grants:</i> Chosen Grant Recipient</p>
Mapped Opportunities	10, 28
BRM Mappings	080, 087, 088, 089, 143, 146
Metrics Impacted	1.2.1, 1.2.3, 3.2.1

Business Function 6: Award Issuance

Description	Awards are issued informing the successful applicant of the final decision and the committed amount of funds is disclosed. The unsuccessful applicants are also informed of the decision.
Actors	Program Office Staff, DPGM Staff (except for specific grant types)
Inputs	Content
Outputs	Awards and Notifications
Mapped Opportunities	5, 6, 23, 30, 31
BRM Mappings	080, 087, 088, 089, 143, 146
Metrics Impacted	1.2.1, 1.2.3, 3.1.1, 3.1.2, 3.1.3, 3.1.4, 3.1.5, 3.1.6, 3.2.1

Business Function 7: Funds Obligation

Description	DPGM identifies the appropriated amount of funds within SBA and then obligates that amount to the stated procurement or grant. The finalized amount is then communicated to the recipient.
Actors	DPGM Staff (except for specific grant types)
Inputs	Collaboration between Program Office and DPGM Staff
Outputs	Obligation of Committed Funds to Recipient
Mapped Opportunities	37
BRM Mappings	124, 125
Metrics Impacted	1.2.3, 1.2.4, 1.2.6

Business Function 8: Task Order Issuance (Procurement Only)

Description	This is the issuance of the contract when requesting the services of vendors. The contract or the task order undergoes legal review before the DPGM signs it.
Actors	DPGM Staff, Legal Office Staff
Inputs	Content, Collaboration between Legal Office and DPGM Staff
Outputs	Task Order
Mapped Opportunities	23
BRM Mappings	146
Metrics Impacted	1.2.2, 1.2.3

Business Function 9: Purchase Order Issuance (Procurement Only)

Description	This is the issuance of the contract when requesting the items or products from vendors. The contract or the purchase order undergoes legal review before the DPGM signs it.
Actors	DPGM Staff, Legal Office Staff
Inputs	Content, Collaboration between Legal Office and DPGM Staff
Outputs	Purchase Order
Mapped Opportunities	23
BRM Mappings	143
Metrics Impacted	1.2.2, 1.2.3

Business Function 10: Contract/Grant Modification

Description	The contracts or grants are modified if need be to suit the mutual benefit of SBA
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	and the contract/grant recipient.
Actors	Program Office Staff, DPGM Staff (except for specific grant types), Recipient
Inputs	Contract/Grant
Outputs	Revised Contract/Grant
Mapped Opportunities	5, 6, 23, 30, 31
BRM Mappings	080, 087, 088, 089, 143, 146
Metrics Impacted	1.2.3

Business Function 11: Invoice Management

Description	The recipients submit their invoices to DPGM in anticipation of contract or grant payment. The periodicity of invoices varies from contracts and grants. These invoices are approved by the PO and then forwarded to the SBA Financial Center in Denver, CO.
Actors	Program Office Staff, DPGM Staff (except for specific grant types), SBA Financial Center, Recipient, HHS Payment Processing for Women Business Center grants.
Inputs	Invoice
Outputs	Payment Authorization
Mapped Opportunities	5, 6, 10, 12, 28, 30, 36, 39, 41
BRM Mappings	124, 126
Metrics Impacted	1.2.3, 1.2.5

Business Function 12: Payment

Description	The payments are disbursed to the recipients based on the invoices by the SBA Financial Center.
Actors	Program Office Staff, DPGM Staff (except for specific grant types), SBA Financial Center, Recipient, HHS Payment Processing for Women Business Center grants.
Inputs	Authorized Invoice, Relevant Processing by SBA Financial Center
Outputs	Payment to Recipient
Mapped Opportunities	6, 10, 28, 30, 36, 39, 41
BRM Mappings	126
Metrics Impacted	1.2.5

Business Function 13: Past Performance/Grant Report Management

Description	DPGM and PO generate reports that highlight the awarding of contracts/grants and measure the performance of the involved entities within SBA. These reports are communicated to several stakeholders.
Actors	Program Office Staff, DPGM Staff (except for specific grant types), Stakeholders, External Systems Staff
Inputs	Interviews, Feedback, Analysis, Recommendations
Outputs	Past Performance and Grant Reports
Mapped Opportunities	2, 3, 5
BRM Mappings	080, 087, 088, 089, 091, 092, 093, 143, 146
Metrics	1.2.3

Impacted	
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Business Function 14: Grant Audit (Grants Only)

Description	DPGM audits the financial system of the grant recipients every other year to ensure that the grant funds are being utilized appropriately and detect any fraudulent activities if they exist.
Actors	DPGM Staff (except for specific grant types), Program Office Staff
Inputs	Analysis of Recipient Financial System
Outputs	Completed Audit
Mapped Opportunities	30
BRM Mappings	080, 087, 088, 089, 091, 092, 093
Metrics Impacted	1.2.3

Business Function 15: Closeout

Description	Once the SBA meets its obligations to the recipient, and the recipient meets its obligations to the SBA, the contract/grant is closed out.
Actors	Program Office Staff, DPGM Staff (except for specific grant types), Recipient
Inputs	Contract/Grant
Outputs	Closed Out Contract/Grant
Mapped Opportunities	1
BRM Mappings	080, 087, 088, 089, 124, 125, 143, 146
Metrics Impacted	1.2.3

Business Function 16: Workflow Management

Description	Responsibilities, expectations, and next steps in processes are determined and communicated to stakeholders. As soon as a procurement or grant enters into a state where it is ready to be operated on by some stakeholder, workflow management proactively informs stakeholders of this information.
Actors	DPGM Staff, Program Office Staff
Inputs	Workflow actions, operational data
Outputs	Proactive notification to perform further workflow actions, workflow information
Mapped Opportunities	2, 5, 6, 7, 8, 11, 12, 18, 19, 20, 24, 25, 27, 28, 29, 30, 35, 36, 38, 39, 40
BRM Mappings	080, 087, 088, 089, 092, 093, 124, 125, 126, 143, 146
Metrics Impacted	1.2.1, 1.2.2, 1.2.3, 1.2.4, 1.2.5, 1.2.6, 1.2.7

Business Function 17: Strategic Procurement

Description	This function involves the work of “big picture” procurement thinking, such as finding opportunities to consolidate procurements and/or improve the strategies taken on specific types of procurements
Actors	DPGM Staff, Program Office Staff
Inputs	Acquisition plans, Historical data
Outputs	Modified acquisition plans
Mapped Opportunities	13, 14, 29, 32, 33, 34

BRM Mappings	143, 146, 261
Metrics Impacted	3.2.1

Business Function 18: Customer Service

Description	This function responds to customer inquiries and feedback. Typically this involves researching and communicating information about a procurement or grant, such as workflow status and next steps. It also involves receiving feedback on successes and challenges with dealing with DPGM and educating customers on expectations, regulations, and roles & responsibilities on completing a procurement or grant
Actors	Program Office Staff, Grantees, Vendors, DPGM Staff
Inputs	Customer requests, Customer feedback
Outputs	Requested information, Improvement plans
Mapped Opportunities	7, 8, 10, 16, 20, 22, 24, 25, 27, 28, 29, 30, 32, 35, 36, 38
BRM Mappings	080, 087, 088, 089, 108, 125, 126, 143, 146
Metrics Impacted	1.2.3

Business Function 19: Program Management

Description	To successfully manage DPGM and report out to SBA management and other bodies to which DPGM is accountable, program management functions include processes such as oversight, workload management, and reporting
Actors	DPGM staff, DPGM management
Inputs	Current DPGM workload, DPGM operational and performance data
Outputs	Workload decisions, performance reports, mandated reports
Mapped Opportunities	1, 2, 3, 9, 11, 17, 18, 19, 20, 21, 34, 40, 10, 18, 19, 20, 34, 9, 15, 16, 18, 22, 24, 40
BRM Mappings	080, 087, 088, 089, 091, 092, 093, 125, 126, 143, 146
Metrics Impacted	1.2.7, 1.3.1, 2.1.1, 2.2.1, 3.1.1, 3.1.2, 3.1.3, 3.1.4, 3.1.5, 3.1.6, 3.2.1

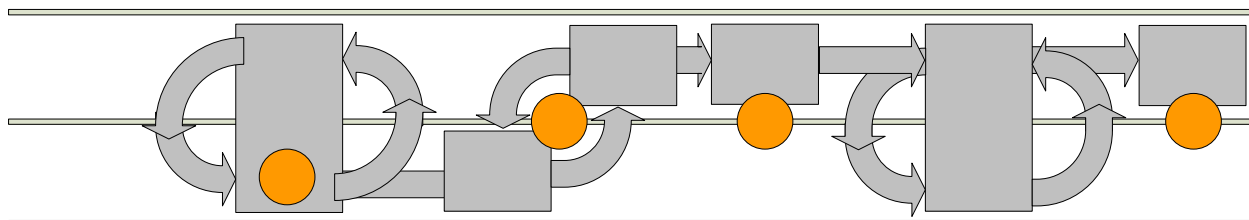
4.2.3 Major Business Process Impacts

Moving to the target state will impact the core PGM business processes. While most business processes will remain largely the same at a high level, the execution of these processes will benefit from new business functions and improved technology.

4.2.3.1 Target State Procurement and Grant Initiation Process

The core processes of initiating a procurement or grant will conceptually continue as it does today, though it will be significantly impacted at an execution level by new IT systems. These impacts are highlighted below.

FIGURE 5: TARGET STATE PROCUREMENT AND GRANT INITIATION PROCESS



Impact	Comment
	<ul style="list-style-type: none"> • Collaborative technologies and a “procurement toolbox” will facilitate the acquisition planning step. • Better acquisition planning will help set realistic timing expectations, and it will help DPGM identify strategic procurement opportunities.
	<ul style="list-style-type: none"> • Collaborative technologies and the implementation of electronic workflow will increase visibility into status and decrease the cycle time of back-and-forth communication between parties.
	<ul style="list-style-type: none"> • Collaborative technologies and the implementation of electronic workflow will increase visibility and facilitate back-and-forth communication between parties. • Better training will educate stakeholders of the compliance requirements around solicitation timing, helping to better set expectations and increase customer satisfaction.
	<ul style="list-style-type: none"> • Language used in the award process must occasionally contain special provisions in unique classes of cases, requiring language to go through a review process. IT systems will promote the reuse of special language, speeding up language review, and electronic workflow will speed up the awards process in general.

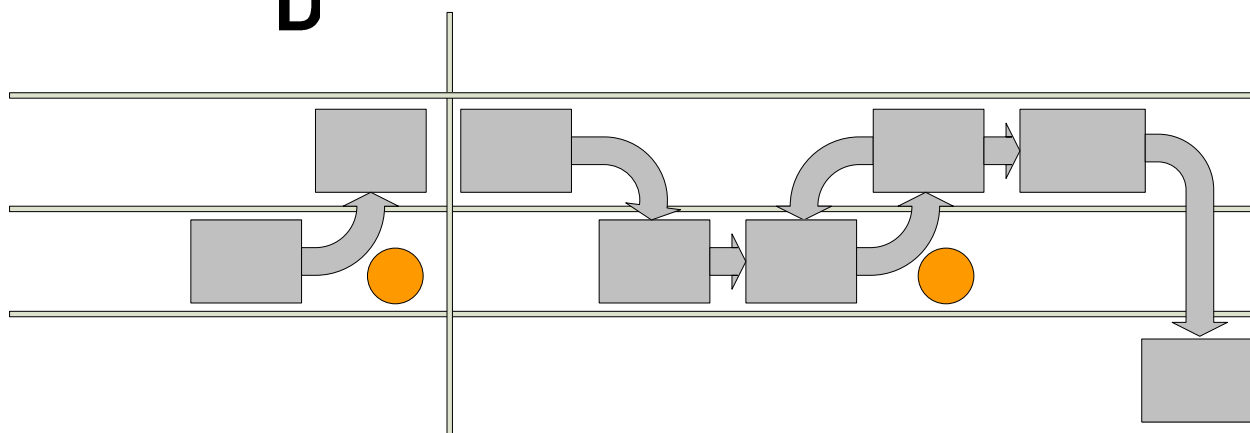
4.2.3.2 Target State Invoicing and Payment Processes

One area in the target state that will be impacted more substantially is the invoice and payment process. PGM will move from supporting only "reimbursement" invoice and payment processing to also supporting "advance" agreements. Reimbursement processing requires a vendor or grantee to submit invoices for thorough examination, reconciliation, and approval before payments are issued. Advance processing allows for payments to be made "in advance" of approving invoices, with full reconciliation taking place at the end of the fiscal year.

4.2.3.2.1 Target State Financial Processes for Reimbursement Agreements

Reimbursement agreements require vendors and grantees to invoice the government for work performed / expenses incurred, with payments subsequently issued to reimburse the invoiced amount. In the target state, this style will still be used for all procurement; some grants will use this style, and select grants will use an alternate style. The reimbursement-style processes are depicted below.

FIGURE 6: TARGET STATE FINANCIAL PROCESSES FOR REIMBURSEMENT AGREEMENTS



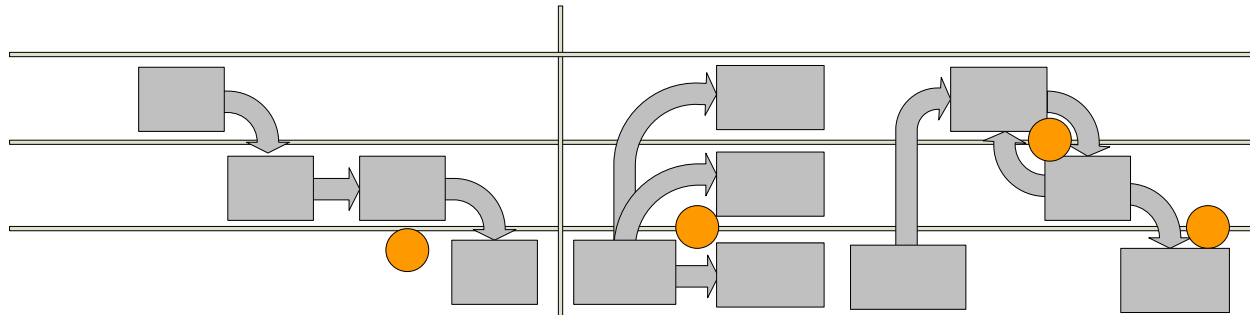
Impact	Comment
	<ul style="list-style-type: none"> • The commitment step will consolidate the creation of an open requisition from an accounting perspective and the commencement of a procurement action from an acquisition perspective. • The obligation step will consolidate the process of obligating funds from an accounting perspective and obtaining funding authorization from an acquisition perspective.

	<ul style="list-style-type: none"> IT systems will provide greater visibility into the invoice review process, clarifying workflow status and ensuring that parties understand who has what responsibility. Systems will facilitate communication between offices and will identify where time is being spent.
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4.2.3.2.2 Target State Financial Processes for Advance Agreements

The target state will realize the opportunity of supporting "advance-style" payments for select grants. Unlike reimbursement-style grants, payments are issued as soon as an invoice is received. The financial processes for advance-style agreements are depicted below.

FIGURE 7: TARGET STATE FINANCIAL PROCESSES FOR ADVANCE AGREEMENTS



Impact	Comment
	<ul style="list-style-type: none"> Initiation of funding process remains the same between Reimbursement-style and Advance-style grants. After obligation, a funds authorization to the HHS Center of Excellence makes funds available to HHS for future grant payments.
	<ul style="list-style-type: none"> Unlike Reimbursement-style grants, payments get issued immediately upon request for payment, assuming that this request meets basic requirements. Program offices and DPGM can issue reports to determine when funds were first used.
	<ul style="list-style-type: none"> Invoices and payments get reconciled after the fact. This reconciliation is computed by the program office and approved by DPGM
	<ul style="list-style-type: none"> Differences discovered through reconciliation are handled during the next payment cycle. Any credit owed to the government gets taken out of the payment for the next cycle, and any debt owed to grantees will be paid on top of invoiced amounts for the next cycle. The very last payment of the fiscal year is handled reimbursement-style.

4.3 PGM Target State Service Component Architecture

4.3.1 PGM Application Modules

The target state PGM architecture is comprised of seven PGM application modules:

A. Procurement and Grants System

An enterprise system to be used by both DPGM and program offices will be implemented to support full life cycle process for procurement and grants except for grants invoicing, payment and procurement payment. A Commercial off-the-Shelf (COTS) solution that supports business rules configuration is a cost-effective alternative to the custom-built application.

B. Grants Invoicing and Payment

An agency-wide shared service provider, such as HHS grants payment service, will manage the invoicing and payment for grants. It will provide an automated system for the submission of invoices and the tracking of payment status. OWBO is currently piloting the HHS shared service. The shared service will be leveraged enterprise-wide if it meets the needs of SBA and provides quality service.

C. Procurement Payment and Financial System

SBA's Denver Financial Center will manage the procurement payment through its financial system (JAAMS/Oracle Federal Financials). It also manages the financial system which hosts the funding and accounting data.

D. Vendors and Grantees Self-Service

A web portal will be implemented to provide self-service functions for vendors and grantees. The purpose is to provide external transparency so the customers and stakeholders can track the status of processes such as invoice payment.

E. Strategic Procurement

Enterprise service components such as business intelligence and reporting tools will be leveraged to analyze the data in procurement and grants system for decision support, enabling strategic procurement.

F. Program Management

Enterprise service components such as process management and reporting tools will be leveraged to support program management.

G. Procurement Invoicing

The currently planned procurement and grants system, as a COTS solution, does have limits on its functionality to support specific business processes such as invoicing. In this case, a stand-alone invoicing system interfacing with the procurement and grants system will be necessary to meet the needs. DPGM could leverage the experience from other agencies with similar invoicing process. DPGM could further leverage the technical solutions if the agencies have successfully implemented a solution interfacing with the same COTS procurement and grants system.

Figure 8 and Figure 9 illustrate the high level view of the aforementioned applications within PGM and how each PGM application supports the stakeholders at different stages of the procurement and grants process.

FIGURE 8: PGM TARGET STATE PROCUREMENT STAKEHOLDERS INTERACTION WITH PGM APPLICATIONS

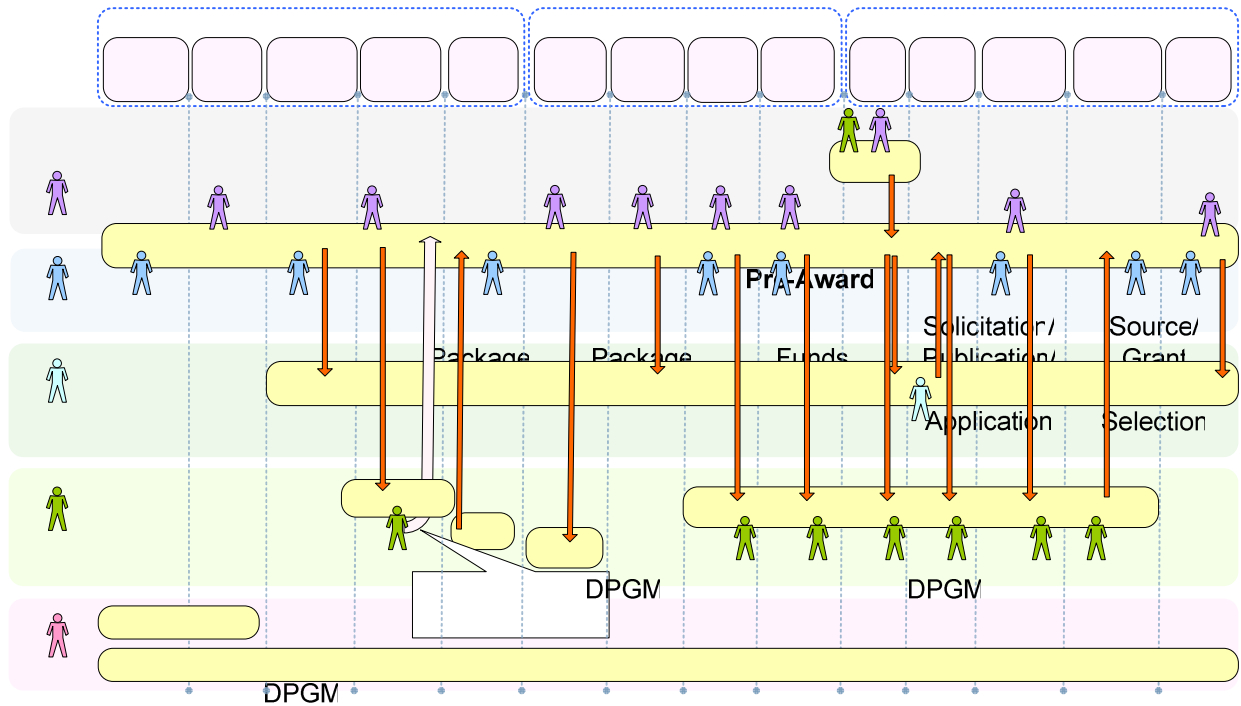
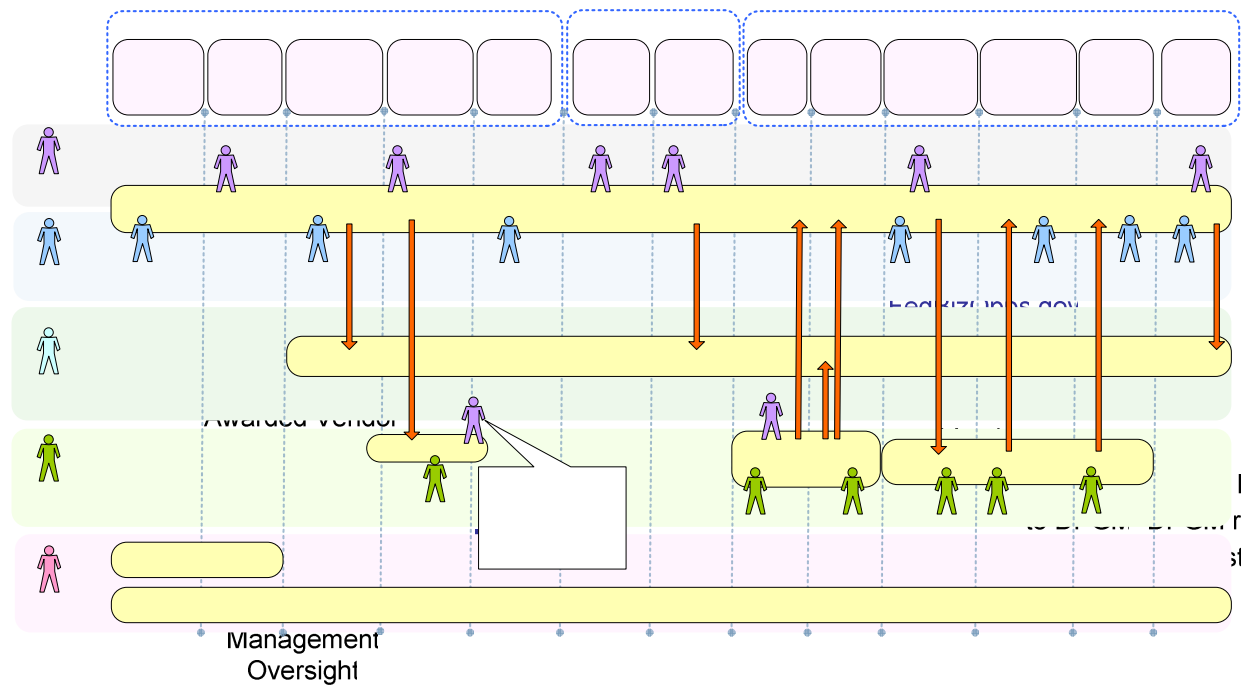


FIGURE 9: PGM TARGET STATE GRANTS STAKEHOLDERS INTERACTION WITH PGM APPLICATIONS



In addition to these, the PGM segment also requires application modules from other segments (not depicted above):

H. Acquisition Contract Personnel Certificates

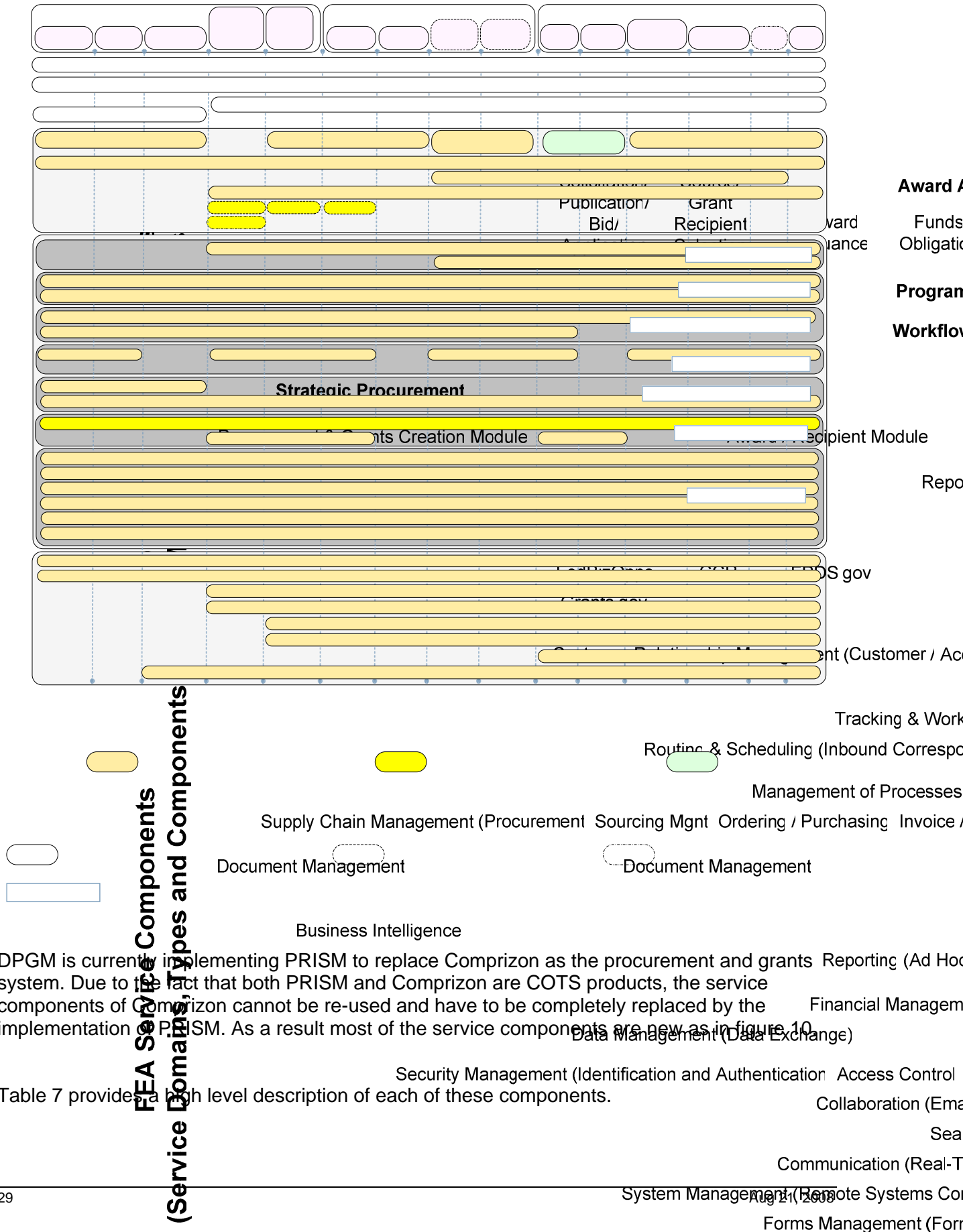
An enterprise-wide Learning Management System in the Human Capital Management (HCM) segment target state will be leveraged to track training and certificates for acquisition contract personnel.

4.3.2 PGM Service Component Model

The goal of the target state service component architecture is to define how IT applications and services will align with the desired future state capabilities and enable the business to meet its strategic objectives. The graphic below illustrates which services are used by the different parts of the PGM business services. If a component lines up beneath a business service, it applies/is used by that service.

The FEA service component reference model provides guidance for federal agencies to identify, categorize, build and catalog discrete services. The service components for PGM are identified based on the business services they need to support. COTS software packages are readily available with the pre-configured workflows to support the procurement and grants core business processes. These COTS products, as lower-cost alternatives to the custom-built applications, already include many of the required service components. Other enterprise-wide service components, such as business intelligence, reporting and process management, could also be leveraged to support business analytical or performance measurement reporting.

FIGURE 10: PGM TARGET STATE SERVICE ARCHITECTURE



DPGM is currently implementing PRISM to replace Comprizon as the procurement and grants Reporting (Ad Hoc) system. Due to the fact that both PRISM and Comprizon are COTS products, the service components of Comprizon cannot be re-used and have to be completely replaced by the Financial Management implementation of PRISM. As a result most of the service components are new as in figure 10. Data Management (Data Exchange)

Table 7 provides a high level description of each of these components. Security Management (Identification and Authentication Access Control) Collaboration (Email)

TABLE 7: PGM SERVICE COMPONENTS

Service Domain	Service Type	Service Component	Business Area	Opportunity Supported
Customer Services	Customer Relationship Management	Customer / Account Management (515)	Procurement, Grants	4, 28
Customer Services	Customer Relationship Management	Contact and Profile Management (516)	Procurement, Grants	4, 28
Customer Services	Customer Initiated Assistance	Online Help (523)	Procurement, Grants	8, 28, 34
Customer Services	Customer Initiated Assistance	Self-Service (525)	Procurement, Grants	8, 11, 28, 36, 39
Process Automation Services	Tracking and Workflow	Process Tracking (530)	Procurement, Grants	1, 2, 3, 4, 7, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 27, 33, 35, 36, 38, 39, 40, 41
Process Automation Services	Routing & Scheduling	Inbound Correspondence (533)	Procurement, Grants	2, 3, 7, 23, 38, 39, 40, 41
Process Automation Services	Routing & Scheduling	Outbound Correspondence (534)	Procurement, Grants	2, 3, 7, 23, 38, 39, 40, 41
Business Management Services	Management of Processes	Program / Project Management (538)	Procurement, Grants	2, 3, 9, 17, 18, 19, 20, 21
Business Management Services	Supply Chain Management	Procurement (548)	Procurement	22, 25, 33
Business Management Services	Supply Chain Management	Sourcing Management (549)	Procurement	22, 25
Business Management Services	Supply Chain Management	Ordering / Purchasing (552)	Procurement	22, 25
Business Management Services	Supply Chain Management	Invoice / Requisition Tracking and Approval (553)	Procurement, Grants	22, 25, 30, 39, 40
Digital Asset Services	Document Management	Document Revisions (565)	Procurement, Grants	1, 2, 3, 6, 7, 8, 26, 29, 31
Digital Asset Services	Document Management	Library / Storage (566)	Procurement, Grants	1, 2, 3, 6, 7, 8, 26, 29, 31
Business Analytical Services	Business Intelligence	Demand Forecast / Management (595)	Procurement, Grants	12, 14, 15, 16, 23, 24, 27, 32
Business Analytical Services	Reporting	Standardized / Canned (599)	Procurement, Grants	12, 14, 17, 18, 19, 20, 21, 27, 35
Business Analytical Services	Reporting	Ad Hoc (598)	Procurement, Grants	12, 14, 17, 18, 19, 20, 21, 27, 35
Back Office Services	Financial Management	Payment / Settlement (625)	Procurement, Grants	22, 25, 41
Back Office Services	Data Management	Data Exchange (601)	Procurement, Grants	9, 13, 15, 17, 18, 19, 20, 21, 37
Support Services	Security	Identification and Authentication (648)	Procurement, Grants	10, 28
Support Services	Security	Access Control (649)	Procurement, Grants	10, 28
Support Services	Security	Cryptography (650)	Procurement, Grants	10, 28
Support Services	Security	Digital Signature Management (651)	Procurement, Grants	10, 28, 39
Support Services	Security	Audit Trail and Capture Analysis (655)	Procurement, Grants	10, 28

Service Domain	Service Type	Service Component	Business Area	Opportunity Supported
Support Services	Collaboration	Email (659)	Procurement, Grants	4, 5, 13, 32, 34
Support Services	Collaboration	Threaded Discussion (660)	Procurement, Grants	5
Support Services	Search	Query (664)	Procurement, Grants	4, 14, 25
Support Services	Communication	Real-Time / Chat (668)	Procurement, Grants	5
Support Services	Communication	Instant Messaging (669)	Procurement, Grants	5
Support Services	System Management	Remote Systems Control (677)	Procurement, Grants	10
Support Services	System Management	System Resource Monitoring (678)	Procurement, Grants	10
Support Services	System Management	Issue Tracking (680)	Procurement, Grants	10
Support Services	Forms Management	Form Creation (681)	Procurement, Grants	7, 31
Support Services	Forms Management	Form Modification (682)	Procurement, Grants	7, 31

Table 8 provides a mapping to business services.

TABLE 8: APPLICATION MODULE MAPPING TO BUSINESS SERVICES

ID	Application Module	Business Functions Supported
A	Procurement and Grants System	1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 13, 14, 15, 16
B	Grants Invoicing and Payment	11, 12
C	Procurement Payment and Financial System	3, 7, 12, 15
D	Vendors and Grantees Self Service	8, 9, 10, 11, 12, 13, 14, 18
E	Strategic Procurement	17
F	Program Management	19
G	Procurement Invoicing	11
H	Acquisition Contract Personnel Certificates	(HCM Segment)

Table 9 provides a high level description of each of these application modules mapping to service components.

TABLE 9: APPLICATION MODULE MAPPING TO SERVICE COMPONENTS

ID	Application Module	Service Components Supported
A	Procurement and Grants System	515, 516, 530, 533, 534, 548, 549, 552, 565, 566, 599, 601, 648, 649, 650, 651, 655, 659, 660, 664, 668, 669, 677, 678, 680, 681, 682
B	Grants Invoicing and Payment	530, 533, 534, 553, 565, 566, 599, 625, 601, 648, 649, 650, 651, 655, 681, 682
C	Procurement Payment and Financial System	530, 625, 601, 648, 649, 650, 651, 655
D	Vendors and Grantees Self Service	515, 523, 525, 601, 648, 649, 650, 651, 655, 664, 677, 678, 680, 681, 682
E	Strategic Procurement	595, 598, 599, 601
F	Program Management	530, 538, 598, 599, 601
G	Procurement Invoicing	530, 533, 534, 553, 565, 566, 599, 601, 648, 649, 650, 651, 655, 681, 682
H	Acquisition Contract Personnel Certificates	(HCM Segment)

4.4.1 PGM Data Types

The PGM segment makes use of the following data types:

TABLE 10: PGM DATA TYPES

Data Type	Description
Procurement	Procurement information, supporting documents such as SOW, Bids, and status
Vendor	Information about a vendor such as the name, organization profile, past bidding history, and contact information. Include all bidders and winner of procurement.
Contract Award	Award, links to procurement and vendor, task order, purchase order, performance report, status, and supporting documents
Procurement Invoice	Invoice, status, and supporting documents
Procurement Payment	Payment, status, link to invoice, and supporting documents
Grants	Grants information, status, applications, and supporting documents
Grants Applicant	Information about an applicant such as the name, organization profile, past grants application history, and contact information. Include all grants applicants and winner of grants
Grants Award	Award, links to grants and grantee, performance report, audit, status, and supporting documents
Grants Invoice	Invoice, status, and supporting documents
Grants Payment	Payment, status, link to invoice, and supporting documents
Acquisition Contract Personnel Certificate and Training Record	COTR certificate, project manager certificate and other acquisition contract related certificates and training record.
Funding	Funds, obligation, and related financial data

4.4.2 PGM Data Sources

The sources of data listed in the aforementioned section can be found in the following systems:

TABLE 11: PGM DATA SOURCES

ID	System	Data Type
A	Procurement and Grants System	Procurement
		Vendor
		Contract Award
		Grants
		Grants Applicant
		Grants Award
B	Grants Invoicing & Payment (Shared Service Provider)	Grants Invoice
		Grants Payment
C	SBA Financial System (Denver Financial Center)	Procurement Payment
		Funding
		Vendor
		Grants Applicant
G	Procurement Invoicing System	Procurement Invoice
H	SBA Learning Management System (HCM segment target state)	Acquisition Contract Personnel Certificate and Training Record

4.4.3 PGM Data Integration

1. **Procurement and Grants Data Source:** The procurement and grants system database (A) will maintain the master data for the business process, including procurement, vendor, contract award, grants, grants applicant, and grants award. It will have an interface to Data Mart to provide snapshots of operational data.

2. **Grants Invoicing and Payment Data Source:** The shared service provider of grants invoicing and payment (B) will maintain the master data of grants invoice and payment. It will have an interface with the procurement and grants system (A) and Data Mart to provide the grants invoice and payment status. It will also have an interface with SBA financial system (C) to provide the payment data for accounting.
3. **Procurement Invoicing Data Source:** The procurement invoicing system (G) will maintain the master data of procurement invoicing. It will have an interface with the procurement and grants system (A) and Data Mart to provide the procurement invoice data. It will also have an interface with Procurement Payment (C) to send the procurement invoice. Denver Financial Center, which manages the financial system, provides the payment service.
4. **Financial Data Source:** The SBA Financial System (C) at Denver Financial Center maintains the master data for the procurement payment and financial data. The procurement and grants system (A) will have an interface with SBA Financial System (C) to receive and obligate funds.
5. **Outgoing Interfaces with External Systems:** The procurement and grants system (A) will have interfaces with E-Gov systems such as FedBizOpps.gov, FPDS.gov, and Grants.gov to provide procurement, procurement award, and grants data.
6. **Incoming Interfaces with External Systems:** The external CCR database will have an interface with the procurement and grants system (A) to provide the vendor contact and profile data.
7. **Self-Service Data Source:** The Data Mart will be the data source for self-service portal (D). The interface should be implemented as web service for better security.
8. **Program Management and Strategic Procurement Data Source:** The Data Mart will be the data source for strategic procurement (E) and program management (F). The interfaces could be implemented as direct database connection or web service.
9. **Acquisition Contract Personnel Certificate and Training Record Data Source:** The SBA Learning Management System (H) in the HCM segment target state will maintain the master data of the acquisition contract personnel certificate and training record. The government-wide ACMIS system is to track the Contracting Officer, COTR and PM certifications for all federal agencies. As part of the EHRI initiative, the certification reporting to ACMIS will be done automatically through a data interface between the agency's LMS and ACMIS in the target state.

4.5 PGM Target State Technology Architecture

The technical architecture provides a view into the key software and hardware technologies that provide the infrastructure for the services described in the logical architecture.

The following table provides a mapping of the services and the supporting key technologies.

TABLE 12: MAP OF SERVICE COMPONENTS (SRM) WITH THE TECHNOLOGY COMPONENTS

Service Components	Technology
Customer Relationship Management: Customer / Account Management	PRISM
Customer Relationship Management: Contact and Profile Management	PRISM, CCR (for procurement)
Customer Initiated Assistance: Online Help	Self-service web portal

Service Components	Technology
Customer Initiated Assistance: Self-Service	Self-service web portal
Tracking & Workflow: Process Tracking	PRISM
Routing & Scheduling: Inbound Correspondence	PRISM
Routing & Scheduling: Outbound Correspondence	PRISM
Management of Processes: Program / Project Management	PRISM, other enterprise-wide program management and reporting tools
Supply Chain Management: Procurement	PRISM
Supply Chain Management: Sourcing Management	PRISM
Supply Chain Management: Ordering / Purchasing	PRISM
Supply Chain Management: Invoice / Requisition Tracking and Approval	IPP (procurement) HHS PMS (grants)
Document Management: Document Revisions	PRISM
Document Management: Library / Storage	PRISM
Business Intelligence: Demand Forecast / Management	PRISM, other enterprise-wide business intelligence and reporting tools
Reporting: Standardized / Canned	PRISM
Reporting: Ad Hoc	PRISM, other enterprise-wide reporting tools
Financial Management: Payment / Settlement	Oracle Financial System HHS PMS (grants)
Data Management: Data Exchange	Web service
Security Management: Identification and Authentication	PRISM
Security Management: Access Control	PRISM
Security Management: Cryptography	PRISM
Security Management: Digital Signature Management	TBD
Security Management: Audit Trail and Capture Analysis	PRISM, other enterprise-wide tools
Collaboration: Email	MS Exchange
Collaboration: Threaded Discussion	TBD
Search: Query	PRISM
Communication: Real-Time / Chat	TBD
Communication: Instant Messaging	TBD
System Management: Remote Systems Control	Tools used in SBA data center
System Management: System Resource Monitoring	Tools used in SBA data center
System Management: Issue Tracking	Tools used in SBA data center
Forms Management: Forms Creation	PRISM
Forms Management: Form Modification	PRISM

The following table includes the FEA Technical Reference Model Service Areas, Service Categories and Service Standards and cross-references the corresponding technology used in the target state solution.

TABLE 13: MAP OF THE TECHNOLOGY COMPONENTS WITH THE TRM

Service Area	Service Category	Service Standards	Technology Used
Service Access & Delivery	Access Channels	Web Browser	PRISM and HHS PMS are both web-based application that support standard web browser such as IE and Netscape
		Collaboration / Communications	Applications leverage email to collaborate and communicate
		Other Electronic Channels	SOAP / XML web services
	Delivery Channels	Intranet	Intranet to be used with SBA domain
	Service Requirements	Hosting	Internal within agency



Service Area	Service Category	Service Standards	Technology Used
Service Platform & Infrastructure	Delivery Servers	Web Servers	Microsoft IIS
	Database/Storage	Database	Oracle
Component Framework	Security	Certificates	SSL
	Presentation/Interface	Dynamic Display	Microsoft ASP.NET
	Data Interchange	Data Exchange	SOAP, XML

5 Appendix A: Acronyms

TABLE 14: LIST OF ACRONYMS

Acronyms	Expansion
BRM	Business Reference Model
C&A	Certification and Accreditation
CMS	Contract Management System (PRISM)
COTR	Contracting Officer Technical Representative
COTS	Commercial Off-The-Shelf
DPGM	Division of Procurement and Grants Management
DRM	Data Reference Model
ED/OED	Entrepreneurial Development
EEOC	Equal Employment Opportunity Commission
FEA	Federal Enterprise Architecture
FPDS	Federal Procurement Data System
JAAMS	Joint Administrative Accounting Management System
LMS	Learning Management System
LTO	Long Term Objective
OBO	Office of Business Administration
OCIO	Office of the Chief Information Officer
OMB	Office of Management and Budget
PMO	Program Management Office
PO	Program Office or Purchase Order
RFP	Request for Proposal
SBA	Small Business Administration
SBDC	Small Business Development Center
SBPRA	Small Business Paperwork Reduction Act
SRM	Service Component Reference Model
TRM	Technical Reference Model

6 Appendix B: Segment Architecture Overview

Segment architecture provides a business-driven, results-oriented blueprint of a manageable portion of an enterprise. While the scope of an Enterprise Architecture focuses on aligning the agency resources with the agency's mission and strategic goals, segment architecture focuses on a particular mission area or business service within the agency.

This segment architecture endeavor is a collaborative process between the PGM function, the SBA program offices, and the OCIO. It provides the critical bridge between the SBA's strategic vision and medium term business and IT plans. To do this, the segment architecture describes a baseline ("as-is", "current state") architecture, future ("to-be", "target") architecture, and a transition roadmap for PGM.

6.1 Use of Segment Architecture

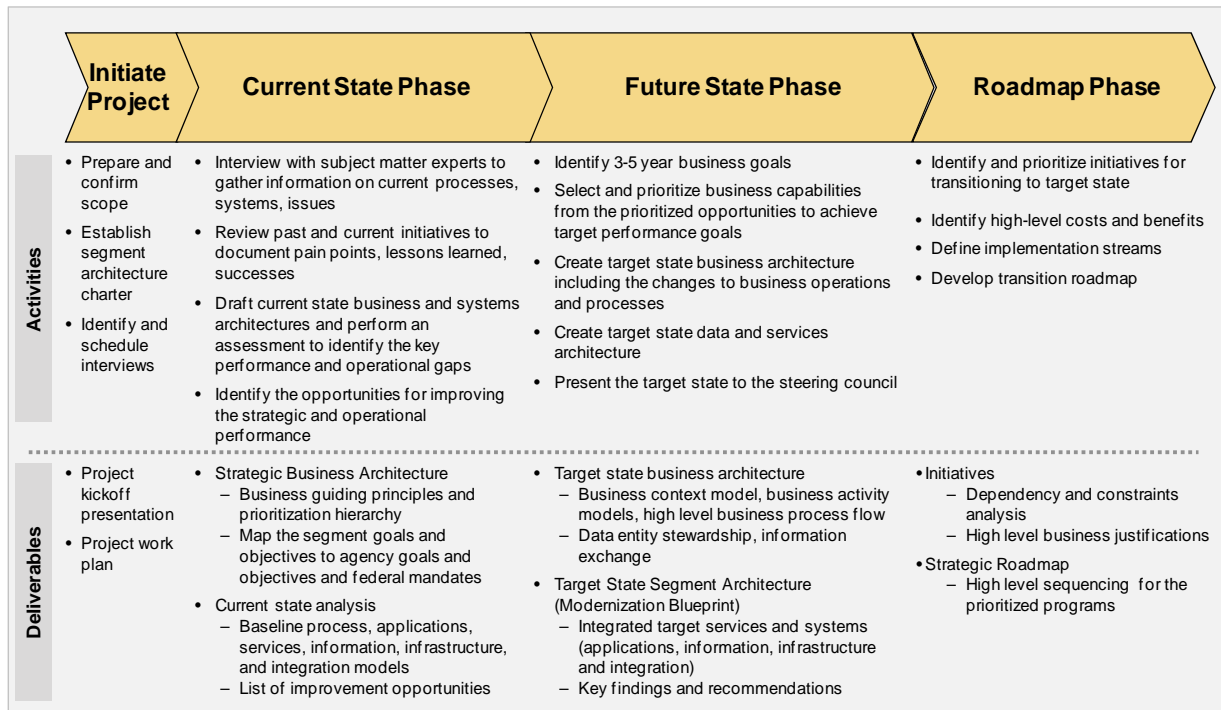
The segment architecture will be the "blueprint" to guide investment and implementation of information technology from the current environment to the future envisioned IT environment. The methodology used facilitates making informed decisions about the nature and priority of identified opportunities. The information derived throughout the process is used to plan and initiate business and information management solutions that will assist in the achievement of target performance goals.

6.2 Ownership

The segment architecture is owned, maintained, and used by business stakeholders of the segment, and it is created in collaboration with the EA program staff members. The segment architecture blueprint may evolve over time to reflect changing internal and external factors.

6.3 Stages of Segment Architecture Process

The PGM segment architecture is being defined through a three-step methodology based on OMB's Segment Architecture guidance. First, the current state business and technology architecture are documented, based on stakeholder input and documented program processes, organization, and technology. The current state assessment forms the basis for the future, or desired, state. The future state is also influenced by internal and external business drivers. Finally, a transition roadmap is developed, enumerating a set of initiatives to close the gap between current and future states and guiding stakeholders through the transition. The future state and roadmap are future deliverables that will be forthcoming in Q3 2008. The overall methodology is illustrated in Figure 1.

FIGURE 12: SEGMENT ARCHITECTURE PROCESS


7 Appendix C: PGM Organization and Stakeholders

The PGM segment crosses a number of different program offices:

- Division of Procurement and Grants Management (DPGM): at the core of the PGM segment, DPGM performs grant management functions for many SBA grants, including interactions with Grants.Gov, awards, and invoicing, and it manages all procurement activity.
- Office of Small Business Development Centers (OSDBC): this office utilizes DPGM for the management of its Drug-Free and Portable Assistance grants. For its Small Business Development Center grants, however, it utilizes DPGM only for funds obligation and for interacting with Grants.Gov; OSDBC performs many grants management functions itself, including awards and invoicing.
- Office of Women Business Ownership (OWBO): similar to OSDBC, OWBO's usage of DPGM is limited to funds obligation and interacting with Grants.Gov. Unlike OSDBC, OWBO is in the process of outsourcing much of its invoicing and payment functions to the Grants Management Line of Business Center of Excellence (GM LoB COE) at the Department of Health and Human Services (HHS).

The PGM organization is shown in Figure 13.

FIGURE 13: PGM ORGANIZATION CHART

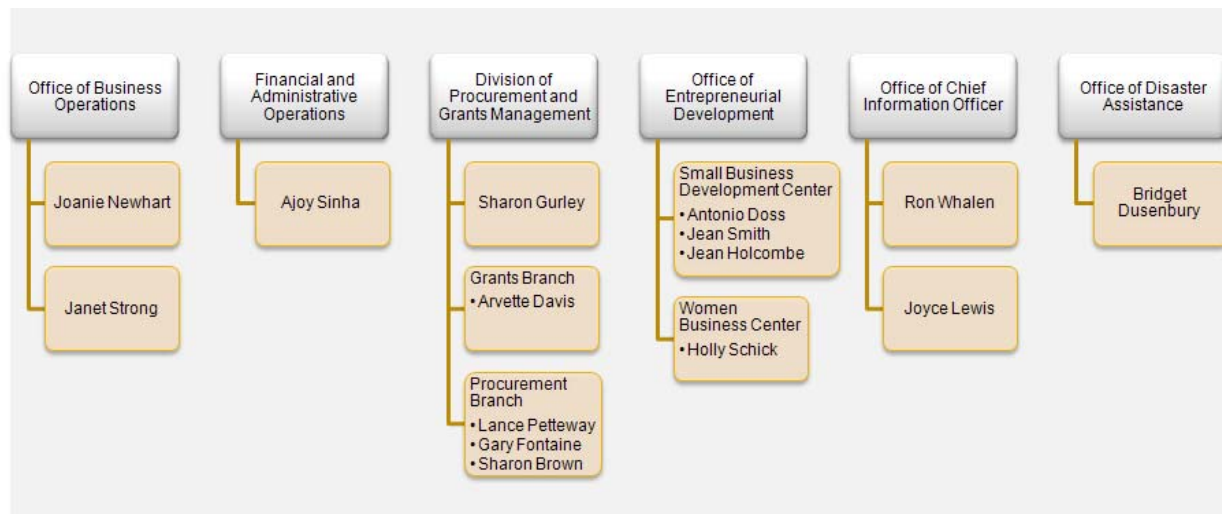


Customers to the PGM segment include:

- Other Grant-Making Offices: these offices utilize DPGM for its grants management services. The Office of Capital Access, for example, performs technical grant activities such as specifying the grant requirements, reviewing grant applications technically, and reviewing invoices for technical performance. The SBA issues grants to non-profit organizations, universities, state/local governments, and occasionally private concerns.
- All SBA Offices: program and support offices perform technical activities on procurements, such as providing requirements, performing technical evaluations on proposals, and reviewing invoices for technical performance.

Key stakeholders from the PGM organization, internal SBA program offices, and relevant OCIO staff provided information on the existing business environment, processes, technology and opportunities for improvement.

FIGURE 14: STAKEHOLDER INTERVIEW LIST



8 Appendix D: PGM and the SBA Goals and Objectives

To understand the goals of SBA's PGM segment, it is important to understand the mission, goals, and objectives of the SBA. The SBA is an independent Government agency tasked with the assignment of promoting the concerns of small business. Its mission statement reads:

The mission of SBA is to maintain and strengthen the Nation's economy by enabling the establishment and viability of small businesses and by assisting in the economic recovery of communities after disasters.

The 2008 SBA Strategic Plan outlines four broad goals and a number of sub-objectives that are geared toward the realization of its mission. The following table has SBA goals and long term objectives as specified in the SBA Strategic Plan FY 2008-2013

TABLE 15: SBA GOALS AND LONG TERM OBJECTIVES (2008 – 2013)

Goal	Long Term Objective
1. Expand America's ownership society, particularly in underserved markets	1.1 Improve access to SBA programs and services by small businesses to drive business formation, job growth, and economic activity
	1.2 Support entrepreneurship in markets with higher poverty and unemployment, and in our military community
	1.3 Ensure stewardship and accountability over taxpayer dollars through prudent financial portfolio management and oversight
2. Provide timely financial assistance to homeowners, renters, nonprofit organizations and businesses affected by disaster	2.1 Respond quickly, efficiently and effectively to disaster applicants
3. Improve the economic environment for small business	3.1 Protect, strengthen and effectively represent the Nation's small businesses to minimize the regulatory burden
	3.2 Foster a more small-business friendly environment
4. Ensure management and organizational excellence to increase responsiveness to customers, streamline processes, and improve compliance and controls	4.1 Deploy a skilled workforce capable of executing high quality programs
	4.2 Provide a safe and secure information system environment to support business decisions and Agency operations
	4.3 Provide financial and performance management services to support efficient and effective program delivery

Of these goals and objectives, the PGM segment ties in with the following

TABLE 16: SBA GOALS AND LONG TERM OBJECTIVES APPLICABLE TO PGM

#	Definition of Applicable Goal / Objective
1	Expand America's ownership society, particularly in underserved markets
1.1	Improve access to SBA programs and services by small businesses to drive business formation, job growth, and economic activity
1.2	Support entrepreneurship in markets with higher poverty and unemployment, and in our military community
4	Ensure management and organizational excellence to increase responsiveness to customers, streamline processes, and improve compliance and controls
4.1	Deploy a skilled workforce capable of executing high-quality programs

The Office of Business Operations, tasked with managing the procurement and grants management functions at the SBA, supports Goal 1 Objective 1 by selecting underserved small businesses for SBA government contracts. It supports Goal 1 Objectives 1 and 2 through issuing grants to universities, state / local governments, and other organizations that provide assistance to small businesses. And it impacts Goal 4 through promoting efficient procurement and grants processes at the agency, particularly with respect to being responsive to grant customers. OBO is also takes steps to support Goal 4 Objective 1 through training its COs and GOs as well as offering training to COTRs, GOTRs, and project managers in program offices.

9 Appendix E: Key Business Drivers for PGM

The outputs of the PGM segment architecture effort in conjunction with the internal and external drivers listed below will be used as planning guides for PGM development. Internal drivers reflect PGM's own goals; External drivers reflect those originating from sources outside of PGM, including regulatory bodies, industry standards organizations, and customer groups.

9.1 Internal Drivers

- Large Contracts: SBA has several large contracts underway or pending, including DCMS and LMAS. These contracts require significant resources and sophistication to award and maintain properly.
- Strategic Procurement: there is an increasing emphasis on elevating procurement from being a tool for buying goods and services to being a strategic lever to help support the mission of the agency.

9.2 External Drivers

- Scarce Contracting Officer Resources: Throughout the entire federal government, there is a lack of adequate numbers of warranted contracting officers. Agencies tend to poach contracting officers from one another, but the overall numbers are not adequate.
- Consolidation of Contracts: In general, due in part to the scarcity of contracting officers, agencies are issuing a smaller number of contracts, which as a result are larger in size and using existing GWACs, BPAs, or other schedules.
- Increasing Scrutiny on Small Business Contracting: Congress is paying increasing attention to the ability of federal agencies to meet their small and disadvantaged business targets. Given the SBA's mission, it must be an exemplar of small/disadvantaged business contracting.
- Political Climate for Congressional Grants: The volume of congressional grants issued by the SBA has been growing fairly steadily for all but one of the last several years. Changes in the political climate could lead to significantly increased or decreased congressional grant activity.

10 Appendix F: External PGM Directives

The target state for PGM is driven by a number of mandates and directives applicable to procurement and grants management. The following table summarizes the various directives that are applicable to the process:

TABLE 17: EXTERNAL DIRECTIVES APPLICABLE TO PGM

#	Directive	Description	Source
1	E-Grants	Grants.Gov is an e-Government initiative. It is intended to be the single point of entry for all federal grant opportunities.	http://www.whitehouse.gov/omb/egov/c-2-5-grants.html
2	Grants Management Line of Business (GM LoB)	Many different agencies offer grants, and the processes involved are very similar in nature. Thus, the GM LoB attempts to centralize grant processing between three "centers of excellence."	http://www.whitehouse.gov/omb/egov/c-6-3-grants.html
3	E-Procurement	The President's management agenda called for the development of cross-agency e-Procurement systems. This has lead to the growth of the Integrated Acquisition Environment (IAE) and a number of IT systems that enable procurement	http://www.whitehouse.gov/omb/budget/fy2002/mgmt.pdf
4	Federal Acquisition Regulation (FAR)	The FAR defines the standards by which procurement processes and systems must follow, such as time periods for making information available and systems necessary for integration	http://www.acqnet.gov/FAR/
5	SBA Administrator Priorities	The SBA administrator rolled out a management initiative to institute performance metrics for support services such as procurement and grants management	SBA Administrator Priorities
6	Public Law 106-107	Congress passed public law 106-107 to foster improved customer service and install greater oversight on the grants management process. The law imposes regulation on grants management and requires annual congressional reporting on grant programs	http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=106_cong_public_laws&docid=f:publ107.106.pdf
7	Prompt Payment	Grants and procurement operations are constrained by mandates requiring prompt payments of funds. Applicable regulations include the Prompt Pay Act and OMB Circular A-125.	http://www.whitehouse.gov/omb/fedreg/a-125d1.html
8	Congressional Earmark Legislation	A large number of grants processed by DPGM are congressional earmark grants. These grants are effectively codified and then executed by the SBA. As a result, they have a higher profile and occasionally come under scrutiny.	Various earmark legislation
9	OCIO EA Standards	The SBA OCIO maintains the agency's Enterprise Architecture (EA) standards and enforces these standards through its IT governance processes.	SBA EA Blueprint

11 Appendix G: Prioritized Opportunities

11.1 List of Opportunities

Opportunities for improvement were uncovered through stakeholder interviews and group discussion. They have been logically grouped into categories, which became the improvement themes. Each opportunity was also rated on business need and difficulty by program stakeholders. A business need rating of 1 indicates highest priority; the larger the rating, the less important it is to the organization. A difficulty rating of 1 indicates straightforward implementation; the higher the difficulty rating, the greater the complexity and cost to implement.

TABLE 18: OPPORTUNITIES AND THEIR PRIORITY

Scales: Business Need Rating (1=Important, 10=Not Important), Difficulty Rating (1=Low Difficulty, 10=High Difficulty)

#	Category	Title	Description	PGM Ob#	PGM Performance Indicator#	Business Need	Technical Difficulty
5	Communication	Instant broadcast messaging	Enable simple, real-time, broadcast communication between COs / GOs in order to facilitate greater levels of collaboration and to harness the collective experience of participants	1.1, 1.2	1.2.1, 1.2.2, 1.2.3	0.00	4.53
6	Communication	Centralized procurement / grant access	Enable the storage of grant and procurement documents in a centralized location for easy access, collaboration, and hand-off	1.2	1.2.1, 1.2.2, 1.2.3	2.61	4.90
4	Communication	Automatic workflow notification	Have the ability to automatically notify COs/GOs, Program Offices, Grant Applicants, and Contractors when key milestones on a grant / contract arrive. In particular, when a grant or contracting workflow step can be / must be completed, such as when an option year decision is coming up or when the current amount of funds obligated is reaching a low threshold.	1.2, 2.1	1.2.1, 1.2.2, 1.2.3, 1.2.4	2.00	3.75
8	Communication	Supplemental grant forms on SBA.Gov	Enable grantees to obtain supplemental grant application forms from the SBA web site for all types of SBA grants. Enable the Grants.Gov instructions to direct grantees to this information for SBA-specific forms.	1.2, 2.2	1.2.1, 2.2.1	3.55	4.07
7	Communication	Paperless communication across stakeholders	Have the ability to use paperless, electronic communication during the interfacing between DPGM, COTRs, Denver Financial Center and Contractors	1.2	1.2.1, 1.2.2, 1.2.3, 1.2.4, 1.2.5	1.75	4.00
10	Compliance	Security & privacy compliance	Enable all IT systems / databases used in PGM to have sufficient levels of security, privacy, and disaster recovery in order to comply with SBA IT policy	1	---	1.66	3.79
9	Compliance	Centralized training data & ACMIS compliance	Have the ability to manage all CO / GO / COTR / GOTR / project manager training data in one location while being compliant with the ACMIS mandate	1.3	1.3.1	2.61	5.27
11	Compliance	Greater grants transparency to	Enable greater transparency into the grants process in order to align with the spirit of public law 106 relating to grants	1.2, 2.2	2.2.1	5.13	5.46

#	Category	Title	Description	PGM Ob#	PGM Performance Indicator#	Business Need	Technical Difficulty
		comply with Public Law 106					
2	People	Hold POs accountable for their contracting tasks	Have the ability to hold program offices accountable for providing acquisition plans, acquisition packages that meet minimum requirements, timely process participation including invoice review, and contract feedback	1.2, 1.3	1.2.2, 1.2.4	1.66	8.97
1	People	Capturing past performance	Have the ability to hold contractors accountable through capturing past performance information on contracts from relevant stakeholders	1.1, 1.2	---	2.92	2.25
3	People	Hold Cos and COTRs accountable for process	Have the ability to hold COs, GOs, COTRs, and GOTRs accountable for timely process participation, minimal processing errors, and past performance feedback	1.2, 1.3	1.2.1, 1.2.2, 1.2.3, 1.3.1	3.20	9.00
15	People	Procurement training for POs	Have the ability to offer training and certification for COTRs, and project managers on skills such as negotiation, the grant / procurement processes, communications, and filling out forms used by DPGM in the process	1.3, 2.1	1.2.1, 1.2.2, 1.2.4, 2.1.1	0.08	1.20
16	People	Fine-tuned IDPs for staff	Enable the management of fine-tune Individual Development Plans (IDPs) for contracting and grants staff	1.3	1.3.1	2.50	2.50
17	People	Automated performance metrics	Enable the automated collection of data useful for determining performance metrics	1, 2, 3	All	2.92	2.68
18	People	Regular individual performance reports	Have the ability to receive regular and automatic performance reports that conveys individual performance along a number of different measures, such as individual cycle time	1.2, 1.3	1.2.3	3.80	4.50
21	People	Improved metrics that perfectly map to success	Improve the performance measurement capabilities of DPGM by improving the metrics that are used, such that success is achieved if metrics trend positive and success is impossible of metrics trend negative	1, 2, 3	All	6.08	4.53
20	People	Regular stakeholder performance reports	Have the ability to receive regular and automatic performance reports that conveys stakeholder performance along a number of different measures, such as PO review cycle time	1.2, 2.1	1.2.1, 1.2.2, 1.2.4, 2.1.1	6.71	6.75
19	People	Regular organizational performance reports	Have the ability to receive regular and automatic performance reports that conveys organizational performance along a number of different measures, such as aggregate cycle time	1.2	1.2.1, 1.2.2	7.03	4.53
26	Stakeholder Involvement	Support for acquisition plans	Enable Program Offices to create acquisition plans in advance of moving forward with an acquisition. Enable Contract Officers to support POs in this endeavor with tools, examples, and training.	1.1, 1.2, 3.2	1.2.2, 3.2.1	0.71	2.31
23	Stakeholder Involvement	Program office workflow visibility	Ability for Program Offices to know what actions must be taken to move their grant / procurement forward, who is responsible for making that happen, and what timeframe they should expect action.	1.2, 2.1	1.2.1, 1.2.2, 1.2.4, 2.1.1	2.29	3.79
28	Stakeholder Involvement	Grant applicant self-service	Provide grant applicants with self-service capabilities, allowing them to manage activities associated with their grants such as	1.2, 2.2	1.2.1, 1.2.2, 2.2.1	2.76	5.46

#	Category	Title	Description	PGM Ob#	PGM Performance Indicator#	Business Need	Technical Difficulty
			viewing status, milestones and budget, submission of supporting documents online, and payment status				
22	Stakeholder Involvement	Program office status visibility	Ability for Program Offices view grant / procurement status within their respective lifecycles	1.2, 2.1	1.2.4, 2.1.1	4.18	3.42
24	Stakeholder Involvement	Leverage the specialized skills of Cos	Have the ability to identify and leverage the specialized skills of experienced COs on contracts where the specialized background of those particular COs would prove useful	1.1, 1.2	1.2.1, 1.2.2	5.45	1.94
27	Stakeholder Involvement	Detailed procurement / grant timeline	Have the ability to see the anticipated timeline for a procurement / grant and what responsibilities any given stakeholder will have during what time periods	2.1	1.2.3, 2.1.1	5.76	1.94
25	Stakeholder Involvement	PO access to requisitions, SOWs, awards, and invoices	Enable COTRs and POs in general to have immediate access to see their current requisitions, statements of work, solicitations, awarded contracts, and invoices	2.1	1.2.3, 1.2.5, 2.1.1	6.25	4.53
29	Standardization	Simplified reuse of grant / contract language	Enable the simplified reuse of grant and contract language from one grant / procurement action to another	1.2	1.2.2	1.03	0.09
30	Standardization	Standards of scrutiny	Implement agency-wide and specific standards of scrutiny for procurement invoices, grant invoices, and grant reports, depending on whether the action is for a procurement or a grant, and the type of grant.	1.2	1.2.5	2.29	1.20
31	Standardization	Standard grant / procurement templates	Utilize standardized templates for the grants and procurement processes, based on the specifics of the situation. Communicate these standards to program offices and other interested stakeholders	1.2, 2.1	1.2.1, 1.2.2, 2.1.1	2.61	2.31
12	Strategic Procurement	Leverage historical data to project future	Have the ability to leverage historical data to project future outcomes, like how long certain contracting operations may take	3.2	3.2.1	1.03	6.38
14	Strategic Procurement	Queries on historical procurement data	Have the ability to perform broadly scoped queries on contracting data across all SBA contracts, both current and historical, for information such as average annual contract growth or obtaining a full list of what the agency buys in a year down to the line item	3.2	3.2.1	3.87	7.86
13	Strategic Procurement	Forecasting available funding shortfalls	Have the ability to forecast when a contract will run out of obligated funds as a function of current spending, in order to notify stakeholders that money is running out	1.2, 2.1, 2.2	1.2.5, 2.1.1, 2.2.1	6.71	4.90
32	Strategic Procurement	Yearly notice of upcoming procurements	Enable vendors to have advance notice of what the SBA intends to procure for any given year in order to allow more vendors to participate and yield better deals	3.2	3.2.1	6.00	5.00
33	Strategic Procurement	Explicitly tie procurements to agency mission & goals	Have ability to enforce standards on procurements to explicitly tie procurements to the mission and goals of the agency	1.1, 3.1	3.1.1, 3.1.2, 3.1.3, 3.1.4, 3.1.5, 3.1.6	7.66	9.34



#	Category	Title	Description	PGM Ob#	PGM Performance Indicator#	Business Need	Technical Difficulty
34	Strategic Procurement	Keep grant stakeholders informed of change	Enable all grant stakeholders at the agency to be abreast of regulatory changes, SBA policy changes, the progress of process improvement initiatives, and future plans related to procurement grants management	1.2, 2.1	1.2.1, 1.2.4, 2.1.1	8.68	9.62
38	Workflow	Simplified obligating and committing funds	Enable a more simplified process for obligating and committing funds so that doing so is easy and intuitive and straight forward from a contracting and grants perspective	1.2, 2.1	1.2.4, 2.1.1	0.71	5.27
39	Workflow	Electronic signatures and forms for invoicing	Automate the invoice submission and payment process with electronic signatures and online forms	1.2, 2.1, 2.2	1.2.5, 2.1.1, 2.2.1	1.34	6.75
35	Workflow	Supervisor reports on employee tasks	Enable reporting procedures that allow supervisors to keep track of tasks occupying employees	1.2, 1.3	1.2.1, 1.2.2, 1.2.3	4.50	6.75
36	Workflow	Reduce touch points in processes	Reduce the touch points between DPGM, grants program offices and the grantees to reduce errors and improve efficiency	1.2, 2.1	1.2.1, 1.2.2, 1.2.4, 2.1.1	1.60	3.80
41	Workflow	Single agency-wide grant payment process	Enable a single grant payment process across the agency that allows for both advance- and reimbursement- style funding	1.2	1.2.5	5.35	6.38
37	Workflow	PO Grants.Gov direct access	Enable program offices to interact with mandated Grants.Gov directly	2.1	2.1.1	7.89	8.23
40	Workflow	Invoicing without CO signoff	Enable the invoicing process to proceed without requiring CO signoff	2.1, 2.2	1.2.5, 2.1.1, 2.2.1	9.24	8.97

11.2 Opportunities Charts

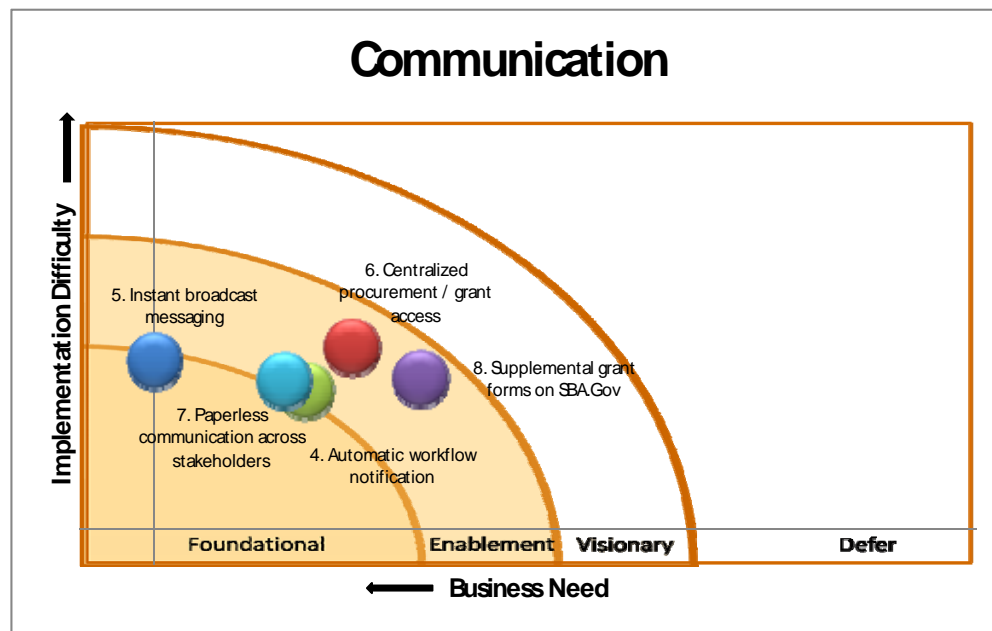
The following charts demonstrate how opportunities were ranked in terms of business impact and implementation difficulty. There is one chart for each opportunity category. The numbers represented in the charts correspond with the IDs in Table 3. Those in the lower left quadrant should be considered quick hits – easy to implement with high business value. Those in the upper left – high business value but difficult to implement – will require greater time and resources, but once complete will truly fulfill the PGM future vision.

The way in which the following graphs break down opportunities into these four categories is by assigning regions within the business importance and difficulty space to these categories; this assignment is subjective and included for illustration purposes only. The exact line of breakdown between these regions depends squarely on the judgment of PGM stakeholders, specifically how the organization trades off implementation difficulty for business importance.

The opportunities uncovered were broken down into the following seven categories:

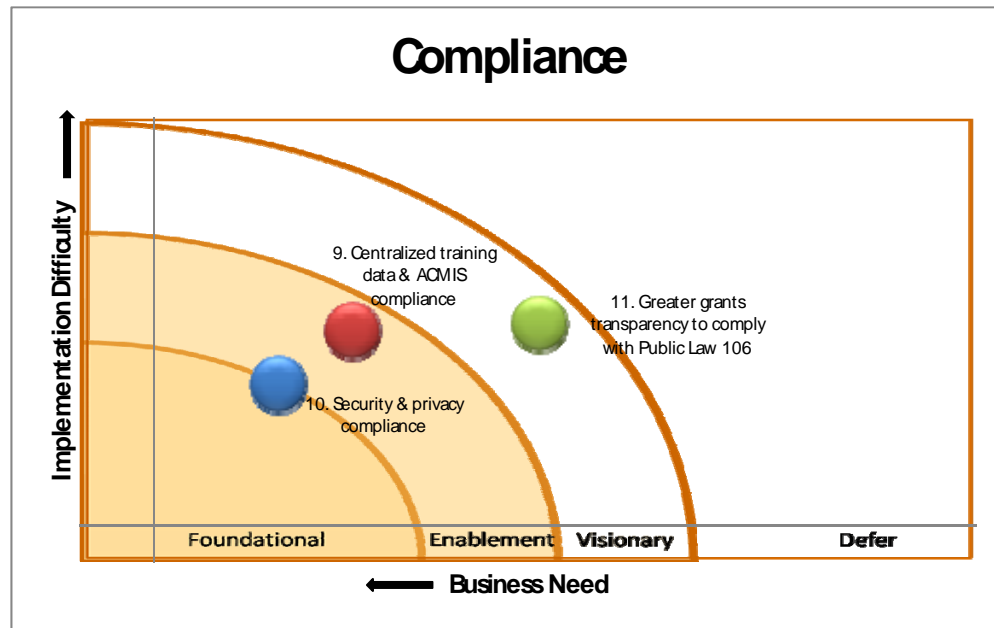
- **Communication:** Making it easier for information to flow between parties on a procurement or grant and across COs / GOs in general

FIGURE 15: PGM COMMUNICATION OPPORTUNITIES



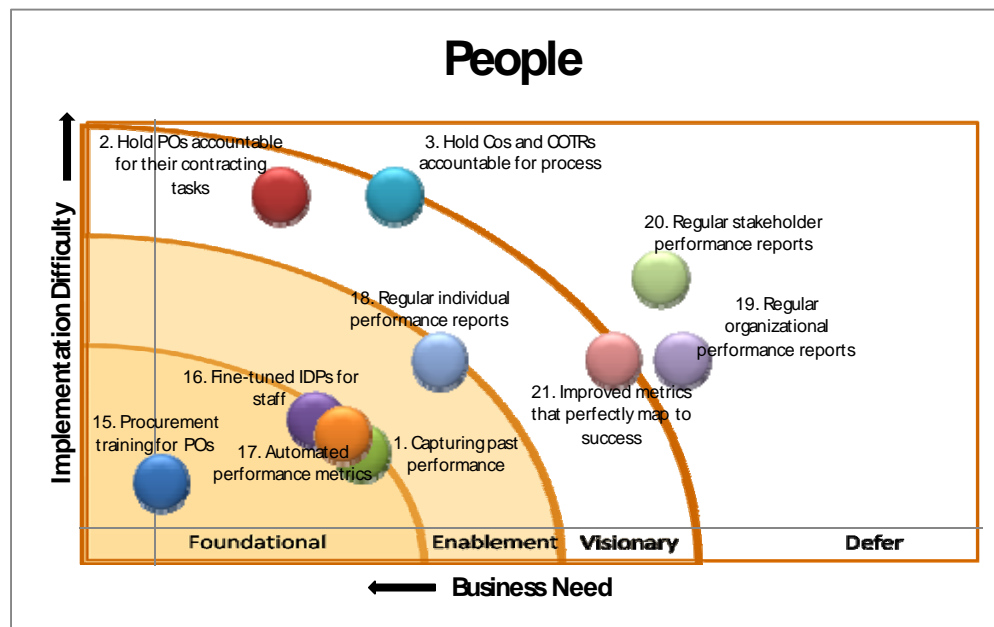
- **Compliance:** Taking affirmative steps to adhere to government regulations, OMB mandates, and SBA policy

FIGURE 16: PGM COMPLIANCE OPPORTUNITIES



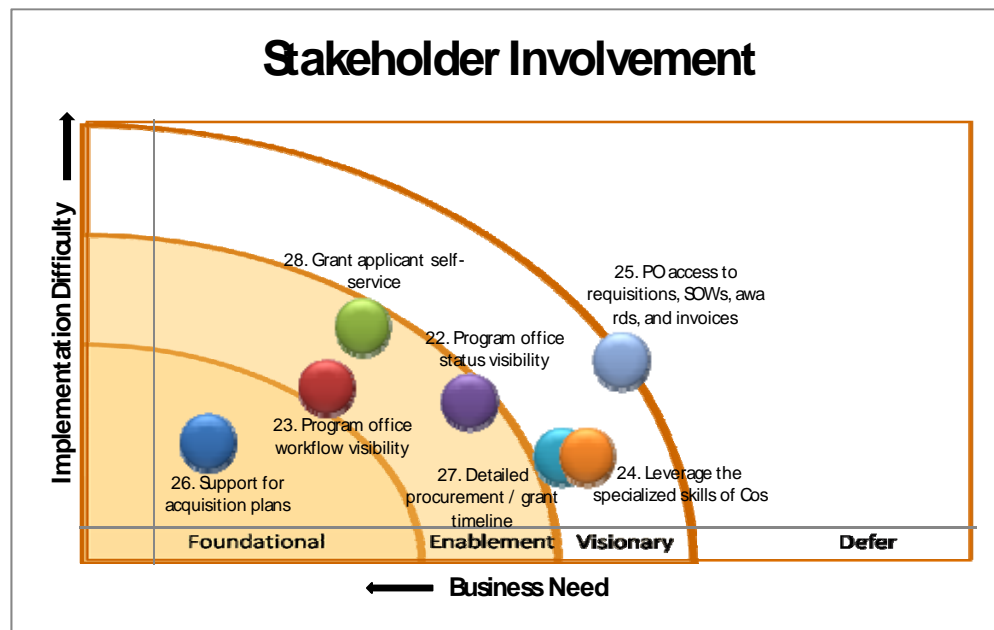
- **People:** Ensuring that procurements and grants management is conducted with the right people that have the right training. Supporting ways to align authority and responsibility with accountability within DPGM and program office COTRs/GOTRs and project managers. Measuring and reporting on key performance indicators to identify individual and organizational successes and challenges.

FIGURE 17: PGM PEOPLE OPPORTUNITIES



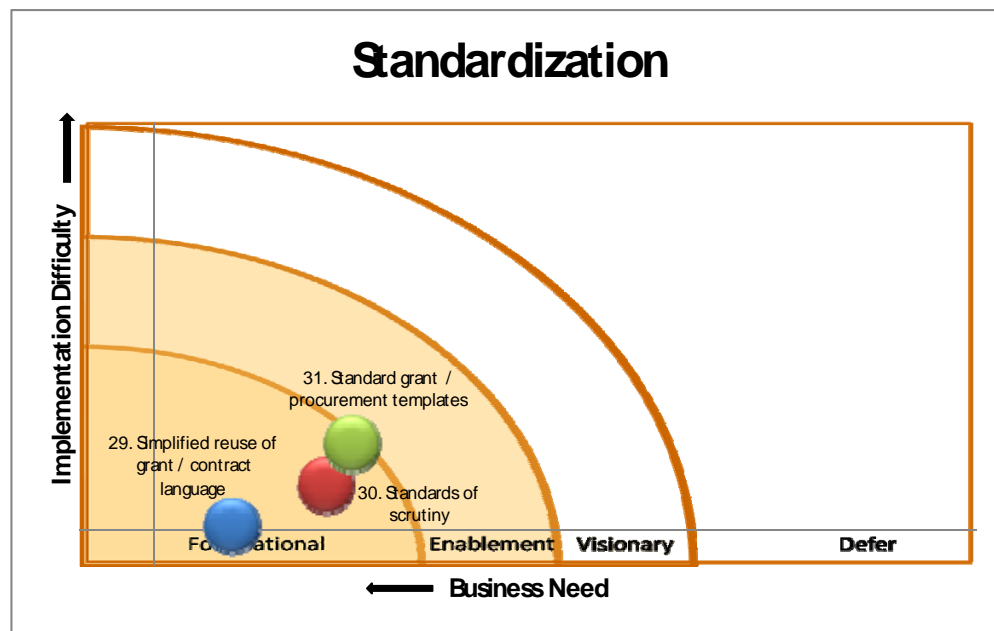
- **Stakeholder Involvement:** Providing stakeholders such as program offices and grantees with greater visibility into, and greater involvement in, the process

FIGURE 18: PGM STAKEHOLDER INVOLVEMENT OPPORTUNITIES



- **Standardization:** Reducing heterogeneity in templates, processes, requirements, and workflow to reinforce consistency, simplify training, gain efficiencies, and reduce errors.

FIGURE 19: PGM STANDARDIZATION OPPORTUNITIES



12 Appendix H: Alternatives Analysis

This section presents a high level analysis for alternative solutions for delivering the business and technical services. The selection of the solution will be made by the business and technology stakeholders and will be reflected in the appropriate layer of the target state architecture. The selection will be based on making tradeoffs between factors such as cost, flexibility, technology strategy, enterprise architecture, resources and organizational constraints.

12.1 Decision: IT System for Grants

There is no system in place yet to support the grants process and tracking. DPGM and program office personnel are currently using a manual process. Alternatives exist for how to manage the grants process using IT systems

	Alternative 1: Use the same system as used by procurement	Alternative 2: Use a new grants management system
Advantages	Lower costs due to a single-system solution Uniform user interface	An independent and specialized system could be customized to fully meet the needs of grants business process
Disadvantages	Limits in customizability to support grants process	Higher costs in implementation and maintenance
Implications	The existing procurement system needs to support the customization for grants business processes. The grants process might need some changes to accommodate the limits of customizability	Due to the complexity and cost for maintaining a different system, this alternative is not recommended unless the single-system solution cannot meet the needs for procurement and grants business process
Factors	<ol style="list-style-type: none"> 1. Similarity in procurement and grants business process 2. Customizability of the procurement system 3. Costs for implementing and operating a separate system 	

Recommendation: Alternative 1 Use the same system as used by procurement

12.2 Decision: Intended user base of the procurement IT system

Whether use the procurement system as an enterprise-wide solution, or use it solely for DPGM

	Alternative 1: Use procurement system solely in DPGM	Alternative 2: Use procurement system enterprise-wide for both DPGM and program offices
Advantages	Simplify the implementation of procurement system and reduce its costs in operations and maintenance	Internal transparency and data consistency Reduced manual interactions and touch points Increased program office self-service abilities, resulting in fewer requests and inquiries Time saved by program offices and DPGM
Disadvantages	Lack of internal transparency The overall costs may be higher if each program office develops its own solution	Higher costs in initial implementation Existing procurement system may have limits in customizability for the support of

	Alternative 1: Use procurement system solely in DPGM	Alternative 2: Use procurement system enterprise-wide for both DPGM and program offices
	Program office may not have the budget or technical skills to develop its own solution	program offices
Implications	Program offices have the need to track procurement and contracts. Use of the procurement system solely in DPGM may force program offices to manually track procurement, which will lead to higher overall costs due to lack of automation	The existing procurement system needs to support the customization for the program office user, with proper security and access control
Factors	<ol style="list-style-type: none"> Whether program offices need an automated tracking system Whether the program offices have similar process and requirements Customizability of the procurement system Security and access control framework of the procurement system Costs associated with manual processes in program offices Costs associated with implementation of each program office's tracking system 	

Recommendation: Alternative 2 Use procurement system enterprise-wide for both DPGM and program offices

12.3 Decision: Intended user base of the grants IT system

Whether use the grants system as an enterprise-wide solution, or use it solely for DPGM

	Alternative 1: Use grants system solely in DPGM	Alternative 2: Use grants system enterprise-wide for both DPGM and program offices
Advantages	Simplify the implementation of grants system and reduce costs and maintenance	Internal transparency and data consistency
		Reduced manual interactions and touch points
		Increased program office self-service abilities, resulting in fewer requests and inquiries
		Time saved by program offices and DPGM
Disadvantages	Lack of internal transparency	Higher costs in initial implementation
	The overall cost may be higher if each program office develops its own solution	Existing grants system may have limits in customizability for the support of program offices
	Program office may not have the budget or technical skills to develop its own solution	
Implications	Program offices have the need to track grants and grantees. Uses of the grants system solely in DPGM may force program offices to manually track grants, which will lead to higher overall costs due to lack of automation	The existing grants system needs to support the customization for the program office user, with proper security and access control
Factors	<ol style="list-style-type: none"> Whether program offices need an automated tracking system Whether the program offices have similar process and requirements Customizability of the grants system Security and access control framework of the grants system Costs associated with manual processes in program offices Costs associated with implementation of each program office's tracking system 	

Recommendation: Alternative 2 Use grants system enterprise-wide for both DPGM and program offices

12.4 Decision: Procurement Invoicing

The mechanism by which procurement invoicing is managed

	Alternative 1: Use no system	Alternative 2: Use procurement IT system	Alternative 3: Use an alternate system for procurement invoicing
Advantages	No implementation cost	Uniform user interface	Automated invoicing process
		Streamlined and semi-automated invoicing process	Provide internal transparency in invoicing status
		Internal transparency with invoice status	Potentially provide external transparency in invoicing status
		Reduced staff workload over having no system	Potentially provide electronic invoice submission to increase process efficiency
Disadvantages	Manual process. Cannot track procurement invoicing	Higher initial implementation costs compared to using no system, due to extra customization and training	Higher costs in implementation and maintenance
Implications	Lack of internal and external transparency. Lack of automation	The procurement system needs to support the invoicing function and ideally the customization of its invoicing function. It will likely provide internal transparency regarding invoice status, though not external transparency to vendors	The invoicing system will need to be integrated with procurement system for status inquiry and report. The invoicing system will need to be integrated with the payment service provider (such as Denver Financial Center or HHS shared service)
Factors	<ol style="list-style-type: none"> Whether internal transparency is required Whether external transparency is required The costs for implementing and operating a separate invoicing system The costs and security concerns for integrating a separate invoicing system with existing databases Whether the procurement IT system supports the invoicing process and the costs to customize it The costs associated with manual processes 		

Recommendation: Alternative 3 Use an alternate system for procurement invoicing

12.5 Decision: Grants Invoicing

The mechanism by which grants invoicing is managed

	Alternative 1: Use no system	Alternative 2: Use grants IT system	Alternative 3: Use HHS invoicing system	Alternative 4: Use a new invoicing system
Advantages	No implementation cost	Uniform user interface	Automated invoicing process	Automated invoicing process
		Streamlined and semi-automated invoicing process	Internal transparency with invoicing status	Provide internal transparency in invoicing status

	Alternative 1: Use no system	Alternative 2: Use grants IT system	Alternative 3: Use HHS invoicing system	Alternative 4: Use a new invoicing system
		Internal transparency with invoice status	External transparency with invoicing status	Potentially provide external transparency in invoicing status
		Reduced staff workload over having no system	Electronic invoice submission increases process efficiency	Potentially provide electronic invoice submission to increase process efficiency
			Supports advance- and reimbursement-style invoicing	
			Reduced staff workload	
Disadvantages	Manual process. Cannot track procurement invoicing	Higher initial implementation costs compared to using no system, due to extra customization and training	Cost of outsourced service	Higher costs in implementation and maintenance
Implications	Lack of internal and external transparency. Lack of automation	The grants system needs to support the customization for invoicing function. The grants system may not provide external transparency for the grantees to track invoicing status	The invoicing and payment system will need to be integrated with the SBA grants system for status inquiry and report. It will also need to be integrated with SBA financial/accounting systems	The invoicing system will need to be integrated with grants system for status inquiry and report. The invoicing system will need to be integrated with the payment service provider (such as Denver Financial Center or HHS shared service)
Factors	<ol style="list-style-type: none"> Whether internal transparency is required Whether external transparency is required The costs for implementing and operating a separate invoicing system The costs and security concerns for integrating a separate invoicing system with existing databases Whether the grants IT system supports the invoicing process and the costs to customize it Whether the shared service provider has good service quality and competitive pricing The need to support all types of payment models Whether the shared service provider can provide secured interfaces for data integration with SBA databases 			

Recommendation: Alternative 3 Use HHS invoicing system

12.6 Decision: Interface Procurement system with accounting system

Tie the two systems together so that procurement actions are automatically reflected

	Alternative 1: Leave the two systems separate	Alternative 2: Tie the two systems together to be as easy and seamless as possible
Advantages	No implementation cost	Eliminate double data-entry efforts Ensure data integrity Ensure security and control access to financial/accounting system
Disadvantages	Double data-entry efforts The overall cost may be higher if each program office develops its own solution	May require special consideration in IT security Higher initial implementation efforts in customization for interfaces

	Alternative 1: Leave the two systems separate	Alternative 2: Tie the two systems together to be as easy and seamless as possible
Implications	Possibility for mistakes and data inconsistency	Most COTS procurement systems have built-in interfaces with Oracle financials. To protect the financial data in the Oracle system, IT security should be taken into consideration in implementation and operation
Factors	1. Frequency and amount of accounting data entry to justify the automated interface 2. Security standards of SBA financial/accounting system (whether it allows internal/external web interface, access control, authentication, etc) 3. Customizability of interfaces between procurement system and financial system 4. Value added by the customized interface (fewer mistakes, better efficiency, etc.) 5. Implementation costs for customization	

Recommendation: Alternative 2 - Tie the two systems together to be as easy and seamless as possible

12.7 Decision: Offering self-service portal for grantees and vendors

Have a section of the SBA web site that acts as a portal for grantees and vendors to gather useful information and potentially interact with the SBA

	Alternative 1: Do nothing	Alternative 2: Static information portal	Alternative 3: Interactive portal conveying status and allowing actions to take place
Advantages	No implementation cost	Lower implementation and operating costs	Provide self-service function to improve efficiency
		Does not require special security consideration	Provide external transparency
			Reduced staff workload for data entry and validation tasks
Disadvantages	Lack of external transparency	Can only provide very limited self-service functions	Higher initial implementation and operating costs
	Less efficiency due to manual interaction	Still lack of external transparency	Requires consideration in IT security
Implications	Grantees and vendors have to use manual communication channels such as phone call or email to interact with SBA	Static web site can provide very limited value to grantees and vendors. The forms, notices, and general instructions could be delivered by existing websites such as forms.gov or SBA.gov.	Offer grantees and vendors self-service functions and external transparency. The self-service portal needs to be integrated with procurement and grants system database for user interactions. IT Security should be taken into consideration for the design, implementation and operation of the self-service portal
Factors	1. Whether external transparency is required 2. Type of self-service function required 3. Whether service is used for grants only, procurement only, or both grants and procurement 4. Whether there are existing portals that can provide the same content 5. Costs for implementation and operation		

Recommendation: Alternative 3 Interactive portal conveying status and allowing actions to take place

13 Appendix I: PGM Current State Business Architecture

13.1 Functional Elements of the PGM Operational Model

A functional decomposition of PGM yields operational components that are discussed in the following sections.

13.1.1 *Acquisition Package Creation/Grant Preparation*

Key Function	<p>Procurement: Program Office (PO) defines the need for the acquisition of items or services and consequently develops a Statement of Work (SOW) along with the necessary provisional documents. PO then submits these documents to DPGM for its review.</p> <p>Grants: PO identifies the purpose, criteria, designated personnel and the required forms and information for the grants; and formalizes the grant applications. PO then submits the grant applications to DPGM for its review.</p>
Participants	Procurement & Grants: Program Office Staff
Input	<p>Procurement : Procurement Need</p> <p>Grants: Grant Opportunity</p>
Output	<p>Procurement: Requisition Package</p> <p>Grants: Grants Application Package</p>

13.1.2 *Acquisition Review/Grant Review*

Key Function	Procurement & Grants: DPGM assigns necessary staff member from its end to handle the application. They review the package for correctness and completeness. If DPGM feels the necessity to make changes, it contacts the respective party. In the case of Grants, the application also undergoes a legal review before the application can be broadcasted.
Participants	Procurement & Grants: Program Office Staff, DPGM Staff (except for specific grant types), Legal Office Staff
Input	<p>Procurement: Requisition Package</p> <p>Grants: Grants Application Package</p>
Output	Procurement & Grants: Revised and Finalized Package

13.1.3 *Funds Commitment*

Key Function	Procurement & Grants: The PO commits the desired funds in the SBA financial management accounting system. Commitment documentation is provided to DPGM, which obligates the funds at a later stage.
Participants	Procurement & Grants: Program Office Staff, DPGM Staff (except for specific grant types)
Input	Procurement & Grants: Necessary Documentation
Output	Procurement & Grants: Committed Funds

13.1.4 ***Solicitation Management/Grant Notice Publication & Grant Application Receipt***

Key Function	<p>Procurement: The commitment of funds is followed by the preparation of the procurement request. This is advertised via the Federal system FedBizOpps to the vendors seeking Federal contracts, ensuring fairness and encouraging competitiveness in the marketplace. DPGM dispatches Requests for Proposal (RFPs) to the offerors, responds to any queries that they may have, and accepts corresponding proposals.</p> <p>Grants: All Federal agencies are mandated to post all their grants via the E-Gov initiative, Grants.gov. This central repository for all Federal grants provides government-wide uniformity to grant applications. DPGM publishes its grants via Grants.gov and provides all the necessary information that the applicants would require. Upon prompting from the PO, DPGM retrieves the grant applications that have been submitted by potential recipients on Grants.gov.</p>
Participants	Procurement & Grants: DPGM Staff, External Systems Staff
Input	Procurement & Grants: Application Package
Output	<p>Procurement: RFPs, Proposals</p> <p>Grants: Grant Posting, Grant Applications</p>

13.1.5 ***Source/Grant Recipient Selection***

Key Function	<p>Procurement: PO evaluates the proposals from a technical perspective while DPGM reviews them from an administrative (accuracy and completeness) and budgetary perspective. There may be negotiations involved between the DPGM and the short-listed offerors at hand before a final decision can be made. Based on the discussions, the final decision on the offeror is made.</p> <p>Grants: All applications are reviewed by PO and DPGM for complete and accurate information before it weighs them against the defined criteria. There are exchanges of applications between DPGM and the applicants if the applications are missing out the relevant information. The completed and accurate applications are then gauged for a match against the grant criteria. PO and DPGM select the grant recipient after deliberating the qualifications of the recipient against the stated criteria.</p>
Participants	Procurement & Grants: Program Office Staff, DPGM Staff (except for specific grant types)
Input	<p>Procurement: Proposals</p> <p>Grants: Grant Applications</p>
Output	<p>Procurement: Selected Offeror</p> <p>Grants: Chosen Grant Recipient</p>

13.1.6 *Award Issuance*

Key Function	Procurement & Grants: Awards are issued informing the successful applicant of the final decision and the committed amount of funds is disclosed. The unsuccessful applicants are also informed of the decision.
Participants	Procurement & Grants: Program Office Staff, DPGM Staff (except for specific grant types)
Input	Procurement & Grants: Content
Output	Procurement & Grants: Awards and Notifications

13.1.7 *Funds Obligation*

Key Function	Procurement & Grants: DPGM identifies the appropriated amount of funds within SBA and then obligates that amount to the stated procurement or grant. The finalized amount is then communicated to the recipient.
Participants	Procurement & Grants: DPGM Staff (except for specific grant types)
Input	Procurement & Grants: Collaboration between Program Office and DPGM Staff
Output	Procurement & Grants: Obligation of Committed Funds to Recipient

13.1.8 *Task Order Issuance (Procurement Only)*

Key Function	Procurement: This is the issuance of the contract when requesting the services of vendors. The contract or the task order undergoes legal review before the DPGM signs it.
Participants	Procurement: DPGM Staff, Legal Office Staff
Input	Procurement: Content, Collaboration between Legal Office and DPGM Staff
Output	Procurement: Task Order

13.1.9 *Purchase Order Issuance (Procurement Only)*

Key Function	Procurement: This is the issuance of the contract when requesting the items or products from vendors. The contract or the purchase order undergoes legal review before the DPGM signs it.
Participants	Procurement: DPGM Staff, Legal Office Staff
Input	Procurement: Content, Collaboration between Legal Office and DPGM Staff
Output	Procurement: Purchase Order

13.1.10 *Contract/Grant Modification*

Key Function	Procurement & Grants: The contracts or grants are modified if need be to suit the mutual benefit of SBA and the contract/grant recipient.
Participants	Procurement & Grants: Program Office Staff, DPGM Staff (except for specific grant types), Recipient
Input	Procurement & Grants: Contract/Grant
Output	Procurement & Grants: Revised Contract/Grant

13.1.11 *Invoice Management*

Key Function	Procurement & Grants: The recipients submit their invoices to DPGM in anticipation of contract or grant payment. The periodicity of invoices varies from contracts and grants. These invoices are approved by the PO and then forwarded to the SBA Financial Center in Denver, CO.
Participants	Procurement & Grants: Program Office Staff, DPGM Staff (except for specific grant types), SBA Financial Center, Recipient, HHS Payment Processing for Women Business Center grants.
Input	Procurement & Grants: Invoice
Output	Procurement & Grants: Payment Authorization

13.1.12 *Payment*

Key Function	Procurement & Grants: The payments are disbursed to the recipients based on the invoices by the SBA Financial Center.
Participants	Procurement & Grants: Program Office Staff, DPGM Staff (except for specific grant types), SBA Financial Center, Recipient, HHS Payment Processing for Women Business Center grants.
Input	Procurement & Grants: Authorized Invoice, Relevant Processing by SBA Financial Center
Output	Procurement & Grants: Payment to Recipient

13.1.13 *Past Performance/Grant Report Management*

Key Function	Procurement & Grants: DPGM and PO generate reports that highlight the awarding of contracts/grants and measure the performance of the involved entities within SBA. These reports are communicated to several stakeholders.
Participants	Procurement & Grants: Program Office Staff, DPGM Staff (except for specific grant types), Stakeholders, External Systems Staff
Input	Procurement & Grants: Interviews, Feedback, Analysis, Recommendations

Output	Procurement & Grants: Past Performance and Grant Reports
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13.1.14 Grant Audit (Grants Only)

Key Function	Grants: DPGM audits the financial system of the grant recipients every other year to ensure that the grant funds are being utilized appropriately and detect any fraudulent activities if they exist.
Participants	Grants: DPGM Staff (except for specific grant types), Program Office Staff
Input	Grants: Analysis of Recipient Financial System
Output	Grants: Completed Audit

13.1.15 Closeout

Key Function	Procurement & Grants: Once the SBA meets its obligations to the recipient, and the recipient meets its obligations to the SBA, the contract/grant is closed out.
Participants	Procurement & Grants: Program Office Staff, DPGM Staff (except for specific grant types), Recipient
Input	Procurement & Grants: Contract/Grant
Output	Procurement & Grants: Closed Out Contract/Grant

13.2 PGM Current Investments

Table 4 lists the current investments at the SBA related to the Procurement and Grants Management segments.

TABLE 19: PGM CURRENTLY FUNDED INITIATIVES

Funded Initiatives	Description	Objectives	Status
Contract Management System (CMS)	This system is intended to help the SBA move from a paper-driven manual process to an automated system. The SBA has selected the COTS package PRISM from CompuSearch for its CMS.	<ul style="list-style-type: none"> To provide contracting officers with time-saving features for creating contracts To provide improved visibility into the contract workflow status To provide greater ability to monitor performance measures. 	<ul style="list-style-type: none"> OMB Exhibit 300 filed. First phase of implementation will be operational pending completion of C&A review.
Grants.gov	Grants.gov is a web portal where all Federal agencies, including the SBA, are mandated to post all their grants. Consequently, it is a one-stop shop for the public to find and apply for Federal grants.	<ul style="list-style-type: none"> To provide a single website to find and apply for Federal grants. To simplify the grant application process for the 	<ul style="list-style-type: none"> All competitive grants are currently posted to Grants.Gov DPGM acts as the gatekeeper to posting

Funded Initiatives	Description	Objectives	Status
	Grants.gov is an E-Gov initiative that is managed by the US Department of Health and Human Services (HHS).	<p>public by standardizing the process across all Federal agencies.</p> <ul style="list-style-type: none"> To streamline grant management, improve the visibility into the process, enhance their reach to the public, and realize associated cost savings for all Federal agencies. 	<p>and retrieving grants to and from Grants.Gov</p> <ul style="list-style-type: none"> All program offices within are not currently compliant with the mandate of posting their grants on Grants.gov. Steps are being taken to ensure this happens.

The CMS initiative is expected to complete C&A review and enter into its first phase of implementation by the end of Fiscal Year 2008. Because this initiative is currently underway and is planned to complete within a short time period, our current state systems view in Section 4 discusses both the immediate state of PGM, (referred to as "Pre-CMS"), and the state after the launch of CMS (referred to as "Post-CMS").

13.3 Business Architecture Key Observations

The procurement and grants management functions have the following strengths:

1. DPGM Focuses on Procurement and Grant Success: DPGM has a number of business initiatives underway, both to improve its own operating performance and also to elevate the overall success of procurement and grants management at the agency. Efforts are underway to standardize the process for grants and procurement. It has been recognized that efficiency, error reduction, and optimal usage of procurement types will result. DPGM also hopes to move from simply processing procurements to being more of a procurement partner, turning procurement into a strategic function at the agency.
2. Using Grants.Gov Improves SBA Grants Processes: The Grants.Gov E-Gov initiative has mandated all Federal agencies to post their grants via the centralized Grants.Gov portal. This has led to marked improvement in the efficiency and uniformity of the grant processes at the SBA.
3. Vendor Selection Observes Objectivity: DPGM staff value the principle of objectivity when running procurements and determining the appropriate vendors for the acquisitions at hand. DPGM staff indicates their commitment to performing its due diligence to ensure objectivity in the selection process, while encouraging competition among vendors and seeking inclusion of small businesses.

Similarly, interviews with the DPGM staff and stakeholders reveal a number of challenges that should be addressed over the next several years:

1. DPGM Success is Not Completely Defined: The goals, objectives, and performance measures identified for procurements and grants are not collectively exhaustive in covering all of the factors that stakeholders define as "success". This results in the potential to achieve all performance targets while still leaving stakeholders in a state not recognized as "success".
2. Slow Paper-based Processes are a Growing Issue: The current grants and procurements processes are largely paper-based. This leads to longer processing time for looking up information within specific procurements and grants and for reporting information across procurements and grants. Based on trends in workload,

such as historical increases in congressional grants, this could lead to a growing problem over the next few years.

3. Redundant Grant Processes Cause Inconsistency: Some functions are duplicated by both DPGM and specific program offices for specific grants. For example, both DPGM and the Office of Small Business Development Centers engage in the Grant awarding process. In many of these cases, the program offices express interest in retaining these redundant functions due to the relationships they have with their customers. However, this redundancy occasionally leads to situations where mandated or otherwise necessary changes in processing get implemented in one location and not the other.
4. Unnecessarily Complex Review of Grant Invoices Delay Payments: The similarity between the grants process and the contracting process often leads to maintaining the same mentality and standards when reviewing grants and contracts. This results in the same rigidity that is correctly required of vendors on the procurement side to be applied to grantees on the grants side. Grant invoices are thus occasionally scrutinized to a level beyond what is necessary, leading to longer payment cycles.
5. Lack of Visibility in Procurement Processes: The status of a procurement or grant within its lifecycle is manually tracked. This leads to a lack of visibility into procurement status, leading to errors, with program offices and DPGM having differing views as to what needs to happen next on a procurement or grant. The low visibility into the process makes it difficult to identify and manage issues or measure performance. This lack of visibility creates a perceived lack of accountability.
6. Customer Satisfaction has Been Mixed: The DPGM scorecard reveals an increase in customer satisfaction from 2006 to 2007 by close to 25%. However, the 2007 number is still only 75% of customers were satisfied last year. Anecdotal feedback has also been mixed. The congressional grants office reports increased positive feedback, through feedback on procurement and grants processing through DPGM continues to indicate a certain level of dissatisfaction.
7. Maintaining Trained and Skilled Staff has Been Difficult: There are a large number of vacancies, and many of the current employees are relatively new to the SBA. As a result, the workload is very high, and the level of expertise and uniformity of processing is less than expected. Many DPGM staff members see a need for training, both for DPGM staff and program office counterparts.
8. Program Offices Need Better Understanding of Acquisition Processes: Many program offices do not currently engage in the level of acquisition planning required in order to give DPGM the advance notice necessary to achieve procurements in the timeframe expected. Requirements for interacting with DPGM are not well understood by some program offices, and at the same time these requirements are not viewed as uniform from the program office perspective.
9. Lack of Communication between Stakeholders Prevails: Many stakeholders indicate a general culture that does not actively engage in collaboration or communication. This results in expertise not being utilized, particularly with regard to contract and grant staff with specialized experience or training. Lack of communication, particularly between program offices and DPGM, occasionally results in misunderstandings of procurement and grant status.
10. All Program Offices Do Not Hold Authorization Power for Large Acquisitions: Not all program offices have personnel that wield authorization to warrant large acquisitions. In these cases, they rely heavily on DPGM to play a larger role in the acquisition

process. This can result in prioritization conflicts between program offices and DPGM during times when DPGM has large workloads.

11. All Grants are Not Being Broadcasted Via Grants.Gov: Although it is mandated for all agencies to post grant notices to Grants.gov, there appear to be specific grant types that do not get posted. It is likely the case that the grants not posted to Grants.gov are non-competitive in nature. Nevertheless, posting of all grant notices is what is currently mandated.
12. Measuring Performance is Time-Consuming: Some program offices attempt to measure their performance of their processes, despite the fact that these processes are manual. Doing so requires taking time out to document and calculate statistics. For certain tasks, these manually maintained metrics have actually led to a 20% increase in time spent.
13. Potentially Redundant Systems: Multiple grants processes and related solutions are being considered, including the use of an in-house grants management system and/or the use of the Health and Human Services grants management shared service center. This would result in redundant solutions.

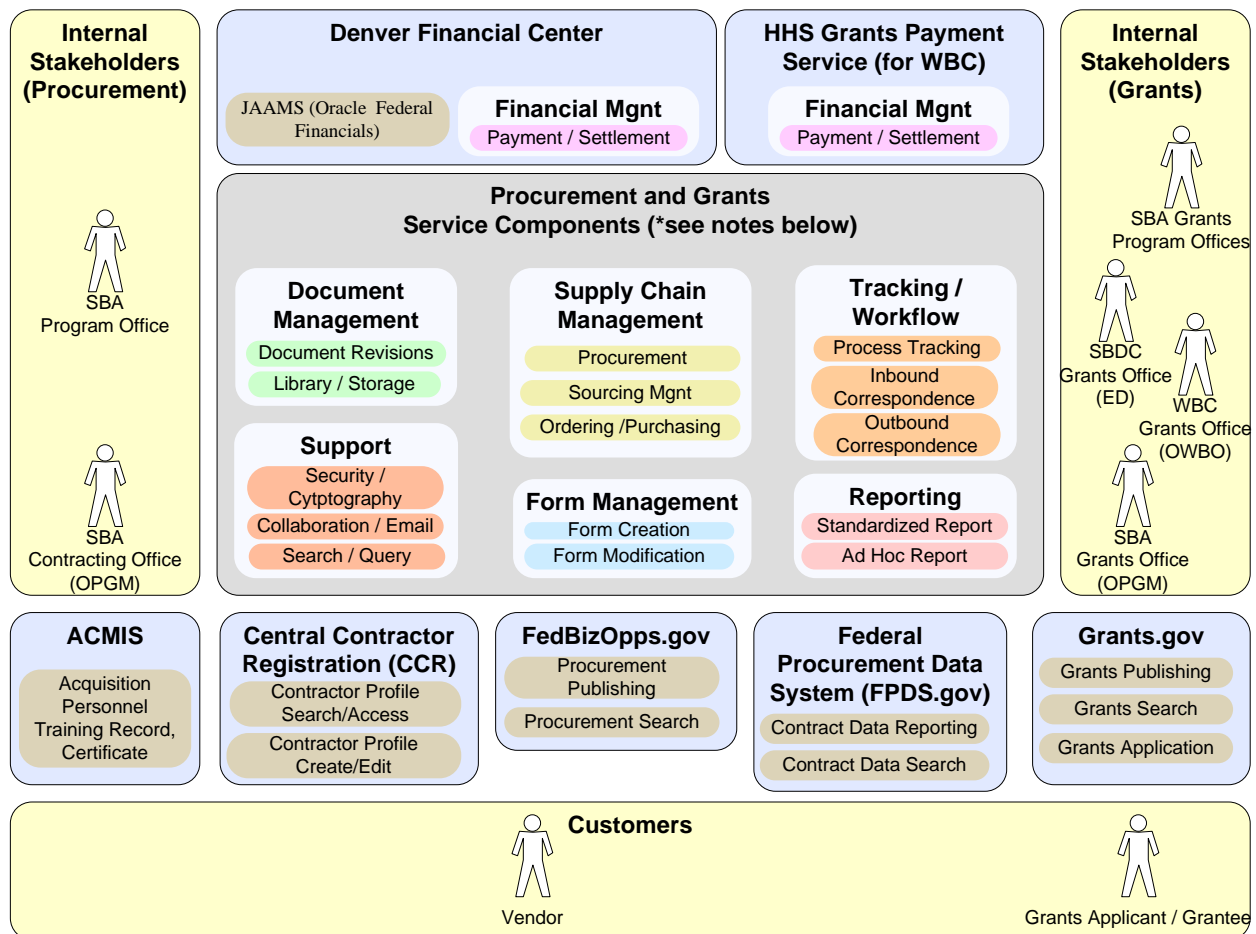
14 Appendix J: PGM Current State System Architecture

As mentioned in section 3.6 above, the PGM segment is approaching completion of its CMS implementation. The current state view discusses both the immediate state of PGM, (referred to as "Pre-CMS"), and the state after the launch of CMS (referred to as Post-CMS).

14.1 Current State Service Component Architecture

The PGM service component architecture describes the high level application components that comprise the PGM organizations' application environment. It provides a platform and technology independent visualization of business and application services that make up the solution. Service components are aligned to the FEA Service Component Reference Model (SRM), which denote specific service domains. A major purpose of performing this alignment is to help identify components for reuse and to inform future architecture efforts at the SBA.

FIGURE 22: PGM LOGICAL ARCHITECTURE (PRE-CMS & POST-CMS)



Procurement and grants have very similar process and require almost identical service components, except that grants process does not need the Supply Chain Management. That said, most of these service components are currently implemented only for procurement.

14.1.1 Service Components

The mapping of Service Components in Figure 6 and the Business Functional Elements of PGM Operational Model they support is provided in Table 5.

TABLE 20: MAPPING OF BUSINESS FUNCTIONS TO SERVICE COMPONENTS AND SRM ALIGNMENT (PRE-CMS & POST-CMS)

Service Domain	Service Type	Service Component Alignment	Business Area	Business Functional Elements Supported (cross-reference section number)
Process Automation Services	Tracking and Workflow	Process Tracking (530)	Procurement, WBC Grants (HHS PMS)	All functional elements
Process Automation Services	Routing & Scheduling	Inbound Correspondence (533)	Procurement	All functional elements
Process Automation Services	Routing & Scheduling	Outbound Correspondence (534)	Procurement	All functional elements
Support Services	Forms Management	Form Creation (681)	Procurement	13.1.1, 13.1.4, 13.1.6, 13.1.8, 13.1.9, 13.1.10, 13.1.11, 13.1.13, 13.1.14
Support Services	Forms Management	Form Modification (682)	Procurement	13.1.1, 13.1.4, 13.1.6, 13.1.8, 13.1.9, 13.1.10, 13.1.11, 13.1.13, 13.1.14
Support Services	Security	Cryptography (650)	Procurement, WBC Grants (HHS PMS)	All functional elements
Support Services	Collaboration	Email (659)	Procurement and Grants	All functional elements
Support Services	Search	Query (664)	Procurement	All functional elements
Digital Asset Services	Document Management	Document Revisions (565)	Procurement	13.1.1, 13.1.2, 13.1.6, 13.1.10, 13.1.11, 13.1.13, 13.1.14
Digital Asset Services	Document Management	Library / Storage (566)	Procurement	13.15.1, 13.1.2, 13.15.6, 13.1.10, 13.1.11, 13.1.13, 13.1.14
Business Analytical Services	Reporting	Ad Hoc (598)	Procurement	13.1.13

Business Analytical Services	Reporting	Standardized (599)	Procurement	13.1.13
Business Management Services	Supply Chain Management	Procurement (548)	Procurement	13.1.1, 13.1.2, 13.1.3, 13.1.4, 13.1.5, 13.1.6, 13.1.7, 13.1.8, 13.1.9, 13.1.10, 13.1.11, 13.1.12, 13.1.15
Business Management Services	Supply Chain Management	Sourcing Management (549)	Procurement	13.1.4, 13.1.5
Business Management Services	Supply Chain Management	Ordering / Purchasing (552)	Procurement	13.1.6, 13.1.8, 13.1.9
Back Office Services	Financial Management	Payment / Settlement (625)	Procurement and Grants	13.1.11, 13.1.12

14.1.2 Key Observations

1. Interactive Processes are Being Executed Non-Collaboratively: Few service components are accessible to both DPGM and program offices; each has their own private service components for procurement and grants processing. This results in manual communication of data, workflow, and state between parties. Since the procurement and grants management processes are highly interactive between these parties, this contributes to making the processes non-robust.
2. Current Systems are Not Being Fully Leveraged: The PGM segment has not fully implemented the service components available to it through the software packages it currently owns. Such implementation could potentially lead to cost and time savings. Based on interviews, it seems likely that the implementation of the CMS initiative may also result in untapped potential for service component usage, which could lead to further cost and time savings.
3. Necessary Collaboration Tools are Absent: Both grants and procurement processes require thorough collaboration and communication between DPGM and the program offices. However, there are no implemented service components that provide significant collaboration or communication, beyond simple E-mail.
4. Lack of Electronic Payments and Signatures: The lack of service components for electronic payments and electronic signatures limit the ability of the PGM segment to move into a paperless environment. This causes certain business processes to be executed much more slowly than otherwise possible.
5. Lack of Notification Mechanism Delays Cycle Times: The grants and acquisition processes adhere to mandated time window requirements for many actions. This means that the workflow state for a particular grant or procurement must remain in a specific state for a specified amount of time. When the time period passes, new actions can take place. However, without a notification service component, these opportunities to start processing are not always pursued as soon as possible, leading to delays in overall cycle time.

14.2 PGM Application Inventory

The PGM segment currently utilizes several different information systems to keep track of procurement and grant data and workflow status. The major system used is a COTS package, but others are simple groupware databases used to keep track of workflow and simplify information access.

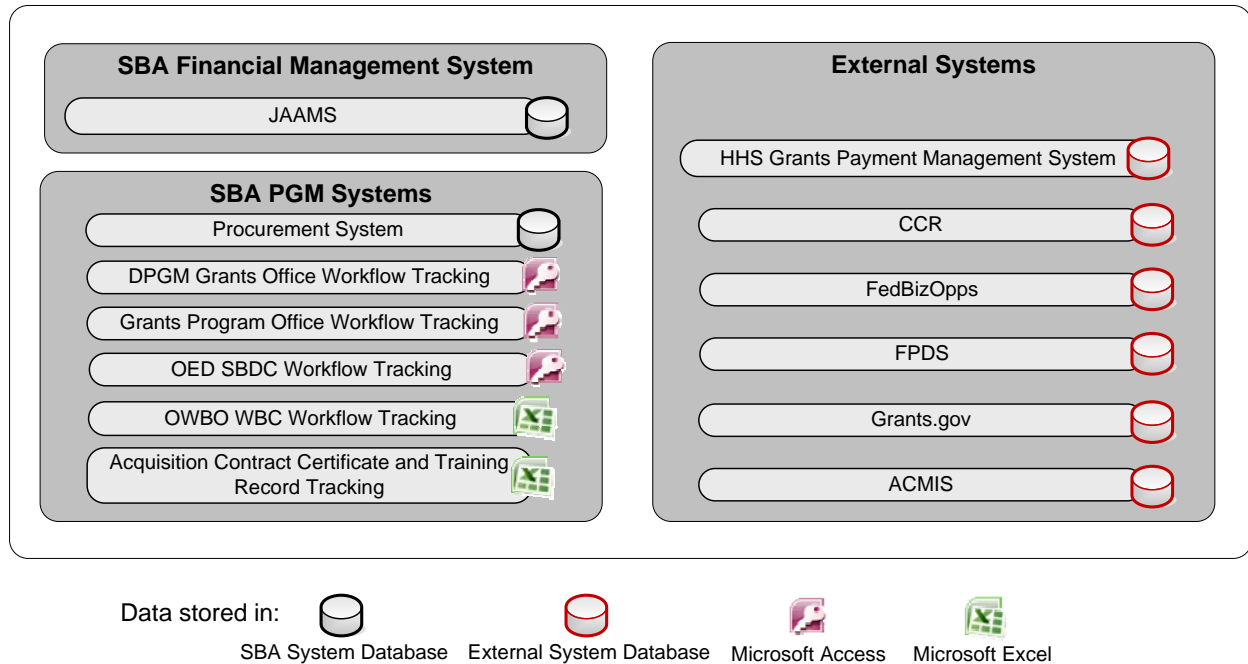
TABLE 21: PGM APPLICATION INVENTORY

#	Office	System	Technology
1 (Pre-CMS)	DPGM	Comprizon	Comprizon is a proprietary system offered and hosted by CACI. The software SBA uses is client-server architecture. The technology details of Comprizon are mostly unknown. It is used only for procurement, not grants.
1 (Post-CMS)	DPGM	PRISM	PRISM is a web-based application that runs on Microsoft IIS. It used Microsoft ASP.NET technology and Oracle as its database. It used SSL as its security framework. It has SOAP and XML web services to interface with CCR, FedBizOpps.gov, FPDS.gov and JAAMS implemented with Oracle Federal Financials system. It will initially be implemented for procurement and subsequently potentially for grants as well.
2	OCFO	JAAMS	JAAMS was implemented with Oracle Federal Financials System
3	Program Offices	Grants Program Office Workflow Tracking, , OWBO WBC Workflow Tracking	Use Access databases to manually input and track the information
4	DPGM	DPGM Grants Office Workflow Tracking	Use Access databases to manually input and track the information
5	OED SBDC Program Office	OED SBDC Workflow Tracking	Use Excel to manually input and track the information
6	DPGM	Acquisition Contract Certificate and Training Record Tracking	Use Excel to manually input and tract the information
7	OWBO WBC Program Office	OWBO WBC Workflow Tracking	Use Excel to manually input and track the information
8	HHS Grants Payment Service	Payment Management System (PMS)	PMS is a web-based system offered and hosted by HHS grants payment service. It provides access to grants program office and grantees to manage invoicing and payment,

14.3 Current State Data Architecture

The PGM segment contains a few formal data systems and a number of ad-hoc, private databases used to track workflow and simplify data access. The following diagram conveys a top-level view into data usage within PGM.

FIGURE 23: PGM DATA ARCHITECTURE DIAGRAM (PRE-CMS & POST-CMS)



At the segment architecture level, we provide a high-level overview of the data types, data sources and data sharing present in the current state.

14.3.1 PGM Data Types

The PGM segment makes use of the following data types:

TABLE 22: PGM DATA TYPES (PRE-CMS & POST-CMS)

Data Type	Description
Procurement / Contract	Procurement information, supporting documents such as SOW, award information, contract status
Bid	Bidder information, bids received
Financial Data	Centralized agency-wide financial information, including the allocated budget for the contract and invoice data
Grant	Information about a grant such as the dollar amount, term date, status and grantee
Grantee	Information about a grantee such as the name, organization, contact information
Recipient	Information about a grantee such as the name, organization, contact information, grant received
Award	Information about the grant award such as grantee of a grant
Audit	Information such as audit date and status
Acquisition Contract Certificate	COTR certificate, project manager certificate and other acquisition contract related certificates
Acquisition Contract Training Record	Training record specifically related COTR, project manager or other role required tracking

14.3.2 PGM Data Sources

The sources of data listed in the aforementioned section can be found in the following systems:

TABLE 23: PGM DATA SOURCES (PRE-CMS & POST-CMS)

Number	System	Data Type
1 (Pre-CMS)	Comprizon	Procurement / Contract
		Bid
1 (Post-CMS)	PRISM	Procurement / Contract
		Bid
2	JAAMS	Financial Data
		Recipient
3	Grants Program Office Manual Process	Grant
		Grantee
4	DPGM Manual Process	Recipient
		Award
		Audit
5	OED SBDC Program Office Manual Process	Recipient
		Award
		Audit
6	Acquisition Contract Certificate and Training Record Manual Tracking	Acquisition Contract Certificate
		Acquisition Contract Training Record
7	OWBO WBC Program Office Manual Process	Recipient
		Award
		Audit
8	HHS Payment Management System (PMS)	Financial Data

14.3.3 Key Observations

1. OCIO Compliance may be Missing From Key Databases: With the use of user-level databases and point solutions such as Microsoft Access and Excel, the presence of private data in formats not compliant with current SBA security standards cannot be summarily ruled out. Also, data cannot be shared, or used for segment level trend analysis, performance measurement or other data analytics.
2. Construction of Certification Tracks is In-Progress: Training records and certificates for project managers, program managers, and COTRs is still being worked out. The link between taking courses and obtaining certification is a manual process. There is no linkage between this system and Human Capital Management training or goal systems.
3. Lack of Integration between Financial and PGM Systems: Integration between the financial management accounting system and the procurement and grants system is planned to take place within the next few years. Some stakeholders have complained that the interaction with the financial management system within the context of the grants or procurements process is not simple, and having a process-specific interface that shared data between the procurement and grants process and the financial management accounting process would save time and reduce errors. That said, implementing this system interaction poses a security challenge, since the financial management accounting system has highly sensitive data. The level of effort to address this security challenge has not been fully quantified.

4. **Lack of Transparency:** There is currently no self-service function for grantees to check the status of invoicing, payment and financial information except for OED WBC grants.

14.4 Current State Technical Architecture

The technical architecture provides a view into the key software and hardware technologies that provide the infrastructure for the services described in the logical architecture.

The following table provides a mapping of the services and the supporting key technologies.

TABLE 24: MAP OF SERVICE COMPONENTS (SRM) WITH THE TECHNOLOGY COMPONENTS (PRE-CMS)

Service Components	Technology
Reporting: Standardized Report	Comprizon
Reporting: Ad Hoc Report	Comprizon
Document Management: Document Revision	Comprizon
Document Management: Library / Storage	Comprizon
Supply Chain Management: Procurement	Comprizon, DPGM Manual Process
Supply Chain Management: Sourcing Management	Comprizon, DPGM Manual Process
Supply Chain Management: Ordering / Purchasing	Comprizon, DPGM Manual Process
Tracking / Workflow: Process Tracking	DPGM Manual Process, Grants Program Office Manual Process
Routing / Inbound Correspondence	Manual Process
Routing / Outbound Correspondence	Manual Process
Form Management: Form Creation	Comprizon
Security / Cryptography	Comprizon
Collaboration / Email	MS Exchange
Search / Query	Comprizon
Financial Management: Payment / Settlement	Oracle financial system, HHS grants payment management system

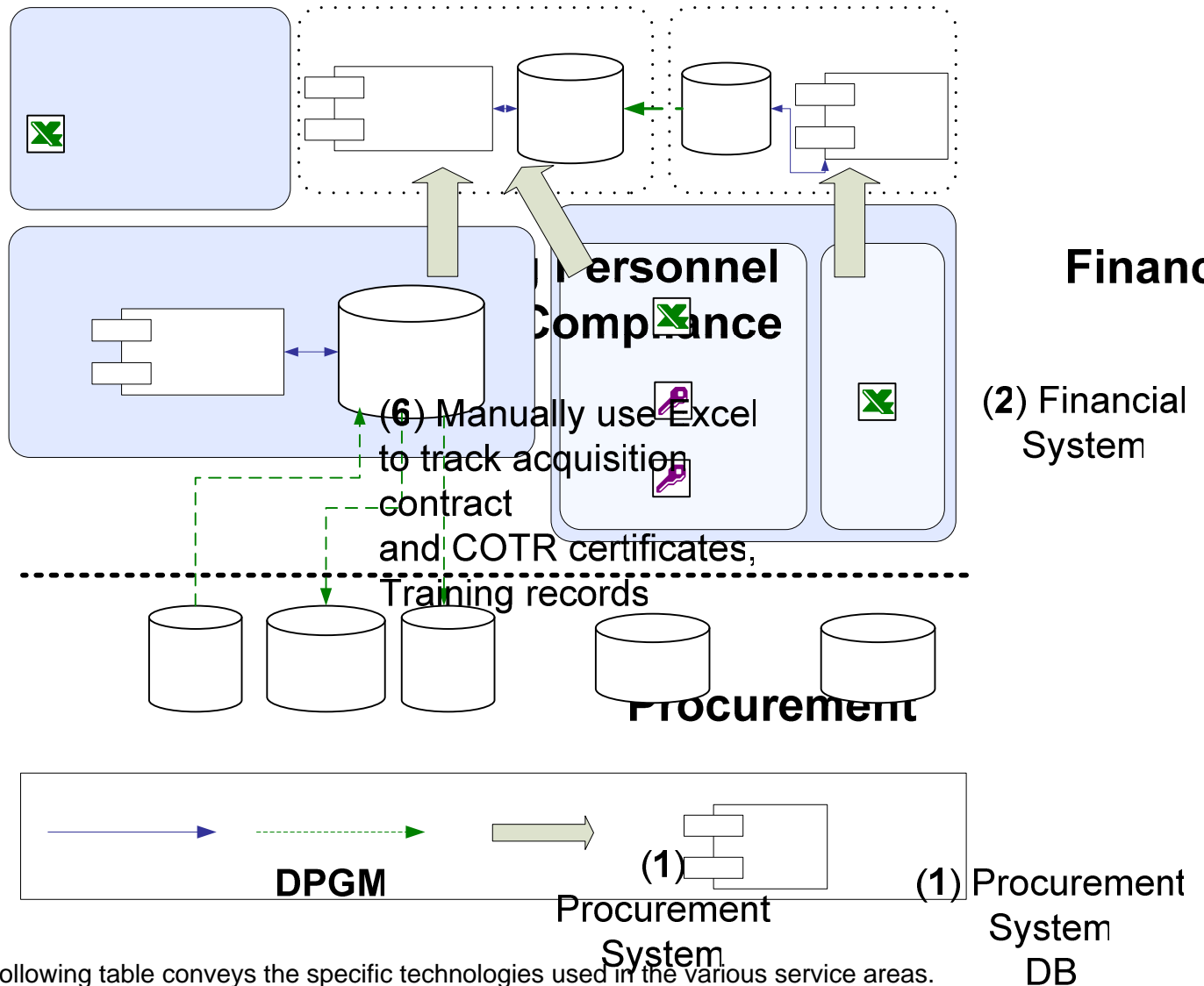
TABLE 25: MAP OF SERVICE COMPONENTS (SRM) WITH THE TECHNOLOGY COMPONENTS (POST-CMS)

Service Components	Technology
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Service Components	Technology
Reporting: Standardized Report	PRISM
Reporting: Ad Hoc Report	PRISM
Document Management: Document Revision	PRISM
Document Management: Library / Storage	PRISM
Supply Chain Management: Procurement	PRISM, DPGM Manual Process
Supply Chain Management: Sourcing Management	PRISM, DPGM Manual Process
Supply Chain Management: Ordering / Purchasing	PRISM, DPGM Manual Process
Tracking / Workflow: Process Tracking	PRISM, DPGM Manual Process, Grants Program Office Manual Process
Routing / Inbound Correspondence	PRISM, DPGM Manual Process, Grants Program Office Manual Process
Routing / Outbound Correspondence	PRISM, DPGM Manual Process, Grants Program Office Manual Process
Form Management: Form Creation	PRISM
Form Management: Form Modification	PRISM
Security / Cryptography	PRISM
Collaboration / Email	MS Exchange
Search / Query	PRISM
Financial Management: Payment / Settlement	Oracle financial system, HHS grants payment management system

The interaction between these various systems is captured in the following diagrams:

FIGURE 24: PGM TECHNICAL ARCHITECTURE DIAGRAM



The following table conveys the specific technologies used in the various service areas.

TABLE 26: MAP OF THE TECHNOLOGY COMPONENTS WITH THE TRM

<i>Comprizon</i>			
Service Area	Service Category	Service Standards	Technology Used
Service Access & Delivery	Access Channels	Web Browser	Comprizon uses client-server architecture, not standard web browser.
		Collaboration / Communication	Email: MS Exchange
		Other Electronic Channels	Although Comprizon has

Systems or External

CCR

FedBizOpps

FPDS

			web service interfaces with FedBizOpps.gov and FPDS.gov, they are not activated for SBA.
	Delivery Channels	Internet	Internet
	Service Requirements	Hosting	External by CACI
Service Platform & Infrastructure	Delivery Servers	Application Servers	Comprizon is client-server architecture hosted by CACI. It is a proprietary COTS product and most of the details are not known.
	Database/Storage	Database	<i>Details Not Known</i>
	Hardware/Infrastructure	Servers/Computers	<i>Details Not Known</i>
PRISM			
Service Area	Service Category	Service Standards	Technology Used
Service Access & Delivery	Access Channels	Web Browser	Internet Explorer
		Collaboration / Communication	Email: MS Exchange
		Other Electronic Channels	SOAP / XML web services
	Delivery Channels	Intranet	Intranet to be used with SBA domain
	Service Requirements	Hosting	Internal within agency
Service Platform & Infrastructure	Delivery Servers	Web Servers	Microsoft IIS
	Database/Storage	Database	Oracle

Component Framework	Security	Certificates	SSL
	Presentation/Interface	Dynamic Display	Microsoft ASP.NET
	Data Management	Database Connectivity	JDBC, ODBC
	Data Interchange	Data Exchange	SOAP, XML

14.4.1 Key Observations

1. Issues with Comprizon: Concerns with Comprizon include its availability to only the contracting staff and not the COTRs; it offers no maneuverability of contracts – it can only help build contracts but does not offer any facility to modify/change these contracts; it does not allow the tracking of the contracts; it is unable to track budget for a vendor with multiple contracts; and interfaces with some key systems such as FedBizOpps.gov and JAAMS are either not supported or not implemented.
2. Comprizon to PRISM is a Positive Move: The replacement of Comprizon with PRISM is being viewed as a positive change for the agency, due to the fact that Comprizon will provide greater visibility into workflow status and will provide greater levels of forms management capabilities.
3. Program Offices Have Not Been Involved in PRISM Initiative: Though PRISM is a COTS solution that attempts to meet the full acquisition needs of the agency, many program offices have not been approached for input on recommendations towards its customization. This creates risks that the final solution may not achieve the full potential for meeting the SBA's overall needs.
4. User-Level Databases in Place Pose Security Risks and Provide No Automation: Currently, many of the service components listed above are implemented through user-level database systems. While this results in significant time savings as compared to using paper for all tracking and data lookup purposes, these systems provide no automation, present potential security and privacy issues, are susceptible to disasters without means for recovery, and are error-prone with a lack of data or rule validation.

15 Appendix K: Documents Reviewed

1. SBA Strategic Plan FY 2008-2013
2. SBA IT Strategic Plan 2007-2011
3. Enterprise Architecture Blueprint v2.04
4. SBA EA Transition Plan v2.00
5. FEA Practice Guidance, November 2007
6. FEA Consolidated Reference Model Document Version 2.3
7. FEA Data Reference Model 2.0
8. www.sba.gov
9. www.egov.gov
10. 2008 March OBO Scorecard
11. OBO Post-Approval Implementation Plan
12. OBO Organization Chart
13. SBA Performance 2008 and 2009
14. OBO Operational Plan
15. Testimony of Debra S. Ritt Assistant, Inspector General for Auditing, U.S. Small Business Administration, Before the Committee on Small Business and Entrepreneurship, United States Senate, September 20, 2007